



**City Council
Regular Meeting
AGENDA**

(to be held both at the physical and virtual locations below)

Civic Center Council Chamber ♦ 300 Seminary Avenue ♦ Ukiah, CA 95482

To participate or view the virtual meeting, go to the following link: <https://us06web.zoom.us/j/82177376290>

Or you can call in using your telephone only:

- Call (toll free) 1-888-788-0099
- Enter the Access Code: 821 7737 6290
- To Raise Hand enter *9
- To Speak after being recognized: enter *6 to unmute yourself

Alternatively, you may view the meeting (without participating) by clicking on the name of the meeting at www.cityofukiah.com/meetings.

June 3, 2026 - 5:15 PM

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

URGENCY ITEM

- a. Consider Authorizing the City Manager to Negotiate and Execute Addendum No. 9 to the Ukiah Municipal Valley Course Lease Agreement with Tayman Park Golf Group, Inc.

Recommended Action: Authorize the City Manager to negotiate final terms and execute Addendum No. 9 to the Ukiah Valley Golf Course Lease Agreement with Tayman Park Golf Group, Inc. (TPGG).

Attachments:

1. TPGG DRAFT COU 1617-112-A9

3. AB 2449 NOTIFICATIONS AND CONSIDERATIONS

4. PROCLAMATIONS/INTRODUCTIONS/PRESENTATIONS

- 4.a. Acknowledgements:

- June as California Mountain Biking Month
- June as Immigrant Heritage Month

- June as Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, Two-Spirit, Plus (LGBTQIA2S+) Pride Month

Recommended Action: Recognize acknowledgements.

Attachments:

1. June 2026 Acknowledgements

- 4.b. Presentation on the Annual Ukiah Airport Day, June 6, 2026.

Recommended Action: Receive Presentation.

Attachments:

1. 2026 Airport Day Flyer

5. **PETITIONS AND COMMUNICATIONS**

6. **APPROVAL OF MINUTES**

- 6.a. Approval of the Minutes for the May 20, 2026, Regular Meeting.

Recommended Action: Approve the minutes for the May 20, 2026, Regular Meeting.

Attachments:

1. 2026-05-20 Draft Minutes

7. **RIGHT TO APPEAL DECISION**

Persons who are dissatisfied with a decision of the City Council may have the right to a review of that decision by a court. The City has adopted Section 1094.6 of the California Code of Civil Procedure, which generally limits to ninety days (90) the time within which the decision of the City Boards and Agencies may be judicially challenged.

8. **CONSENT CALENDAR**

The following items listed are considered routine and will be enacted by a single motion and roll call vote by the City Council. Items may be removed from the Consent Calendar upon request of a Councilmember or a citizen in which event the item will be considered at the completion of all other items on the agenda. The motion by the City Council on the Consent Calendar will approve and make findings in accordance with Administrative Staff and/or Planning Commission recommendations.

- 8.a. Report to Council Regarding the 2026 Conflict of Interest Code Biennial Notice, and Direct the City Clerk to Amend the Conflict of Interest Code per Guidelines Provided by the Fair Political Practices Commission (FPPC), Conduct a 45-day Public Notice Period, and if Necessary, Schedule a Public Hearing to Consider Adoption of the Amended Conflict of Interest Code.

Recommended Action: Receive the 2026 Conflict of Interest Code Biennial Notice and direct City Clerk to amend the Conflict of Interest Code per the FPPC guidelines, seek review from the City Attorney, provide a 45-day public comment period for the suggested modifications, and if necessary, schedule a public hearing to consider adoption of the amended Conflict of Interest Code.

Attachments:

1. 2026 Local Agency Biennial Notice

- 8.b. Adoption of Resolution Calling for the Holding of a General Municipal Election to be Held on November 3, 2026, and to Consolidate and Request the County Elections Official to Conduct Said Election with the Statewide General Election.

Recommended Action: Adopt the resolution calling for the holding of a General Election November 3, 2026; to consolidate said Election with the Statewide General Election pursuant to Election Code §10403; and request the Board of Supervisors of the County of Mendocino to request the County Elections Official to Conduct the Municipal Election of the City of Ukiah on Tuesday, November 3, 2026, pursuant to Election Code §10002.

Attachments:

1. Resolution - Call for Election 2026

- 8.c. Consider Adoption of a Resolution Authorizing the Renewal of the City's Tax and Revenue Anticipation Note (TRAN) Program for Fiscal Year 2026-27; and Authorize Staff to Negotiate and Execute Corresponding Agreements and Documents.

Recommended Action:

- 1. Adopt the Resolution authorizing the issuance and sale of the City of Ukiah FY 2026-27 Tax and Revenue Anticipation Note in an amount not to exceed \$10,000,000, to be drawn upon if needed.**
- 2. Approve the substantially final form of the Note Purchase Agreement.**
- 3. Authorize the City Attorney to finalize the Note Purchase Agreement and related financing documents, subject to approval as to form.**
- 4. Authorize the City Manager to execute the final financing documents on behalf of the City following completion of negotiations and final legal review.**
- 5. Authorize the Finance Director and other authorized officers to take all additional actions necessary to implement and administer the financing program.**

Attachments:

1. Redline - Ukiah 2026-27 TRAN Authorizing Resolution
2. Redline - Ukiah 2026-27 TRAN Note Purchase Agreement

- 8.d. Approval of Real Property Purchase Agreement and Lease between the City of Ukiah and the Willow County Water District for the Property Located at 151 Laws Avenue, APN 003-420-47; Authorization for the City Manager to Negotiate and Execute the Agreement and Any Related Documents Necessary to Implement the Transaction; and Approve Corresponding Budget Amendment.

Recommended Action: Approve the Real Property Purchase Agreement and Lease and Lease Pending Close of Escrow Agreement between the City of Ukiah and the Willow County Water District for the property located at 151 Laws Avenue, APN 003-420-47 in substantial form; direct the City Attorney to finalize the agreements; authorize the City Manager to negotiate and execute the agreements and any related documents necessary to implement the transaction; and approve the corresponding budget amendment.

Attachments:

1. Purchase Agreement with Lease Pending Close of Escrow (clean)
2. Lease Pending Close of EscrowClean

- 8.e. Approval of Budget Amendment for SHN Consulting Engineers & Geologists, Inc. for Compaction Testing in the Amount of \$31,557.90.

Recommended Action: Approve budget amendment for SHN Consulting Engineers & Geologists, Inc. for compaction testing in the amount of \$31,557.90.

Attachments:

1. SHN Invoices

9. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

The City Council welcomes input from the audience. If there is a matter of business on the agenda that you are interested in, you may address the Council when this matter is considered. If you wish to speak on a matter that is not on this agenda that is within the subject matter jurisdiction of the City Council, you may do so at this time. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten (10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments in which the subject is not listed on the agenda.

10. COUNCIL REPORTS

11. CITY MANAGER/CITY CLERK REPORTS

12. PUBLIC HEARINGS (5:30 PM)

- 12.a. Conduct a Public Hearing to Receive Public Comment; Discuss Final Grantee Performance Under State Community Development Block Grant 22-CDBG-PL-20038; Adopt Resolution Confirming Project Closeout and Reimbursement of Grant Expenses from the California Department of Housing and Community Development; and Approve any Corresponding Budget Amendments Required as Part of the Grant Closeout Process.

Recommended Action: 1) Receive report from Staff on final performance related to State Community Development Block Grant 22-CDBG-PL-20038; 2) conduct a public hearing to receive public comment; 3) adopt a Resolution acknowledging accomplishments, confirming activity completion, and confirming approval of grant reimbursement funds from the State; and 4) approve any corresponding budget amendments required as part of the grant closeout process.

Attachments:

1. Resolution_2022-51
2. Standard-Agreement-22-CDBG-PL-20038
3. 2026-Housing-Conditions-Survey-Report_Adopted_5-20-2026
4. Closeout-Draft-Resolution

13. **UNFINISHED BUSINESS**

14. **NEW BUSINESS**

- 14.a. Presentation by PFM Asset Management LLC Regarding the City's Investment Portfolio and Consideration of Revisions to the City's Investment Policy.

Recommended Action: Receive the presentation from PFM Asset Management LLC regarding the City's investment portfolio and adopt the revised Statement of Investment Policy.

Attachments:

1. Quarterly Investment Report - CITY OF UKIAH CALIFORNIA - 20260331_final
2. PFAM Presentation to Ukiah_City_Council_June 2026
3. Ukiah_Investment Policy Approved 5-21-25_REVIEW 2026
4. Ukiah IP 2026 Review Memo_final

- 14.b. Receive Updates on City Council Committee and Ad Hoc Assignments, and, if Necessary, Consider Modifications to Assignments and/or the Creation/Elimination of Ad Hoc(s).

Recommended Action: Receive report(s). The Council will consider modifications to committee and ad hoc assignments along with the creation/elimination ad hoc(s).

Attachments:

1. 2026 City Council Special Assignments & Ad Hocs

15. **CLOSED SESSION - CLOSED SESSION MAY BE HELD AT ANY TIME DURING THE MEETING**

- 15.a. **Conference with Legal Counsel – Anticipated Litigation**

(Government Code Section 54956.9(d)(4))

Initiation of litigation (1 case)

- 15.b. **Conference with Legal Counsel – Anticipated Litigation**

(Government Code Section 54956.9(d)(2))

Significant exposure to litigation (2 cases)

- 15.c. **Conference with Legal Counsel – Existing Litigation**

(Government Code Section 54956.9(d)(1))

Name of case: Vichy Springs Resort v. City of Ukiah, Et Al; Case No. SCU-K-CVPT-2018-70200

- 15.d. **Conference with Legal Counsel – Existing Litigation**
(Government Code Section 54956.9(d)(1))
Name of case: Vichy Springs Resort, Inc v. City of Ukiah, et al.; Case No. 24-cv-07106-JSC
- 15.e. **Conference with Real Property Negotiators**
(Cal. Gov't Code Section 54956.8)
Property: APN Nos: 001-020-78-00, 001-030-01, 001-090-01
Negotiator: Maya Simerson, Senior Management Analyst, City Manager's Office and Jake Burgess, Community Services Director
Negotiating Parties: Tayman Park Golf Group
Under Negotiation: Price & Terms of Agreement
- 15.f. **Conference with Real Property Negotiators**
(Cal. Gov't Code Section 54956.8)
Property: APN Nos: 170-030-05; 170-030-03; 170-010-05; 170-020-07; 170-020-11; 170-040-03; 170-020-08
Negotiator: Sage Sangiacomo, City Manager
Negotiating Parties: Project Ovis LLC
Under Negotiation: Price & Terms of Payment
- 15.g. **Conference with Real Property Negotiators**
(Cal. Gov't Code Section 54956.8)
Property: APN Nos: 151 Laws Ave, Ukiah, CA, 95482; APN 003-420-47
Negotiators: Sage Sangiacomo, City Manager; Dan Buffalo, Finance Director; Jared Walker, Water Resources Director
Negotiating Parties: Willow County Water District Board, Ukiah City Council
Under Negotiation: Property Acquisition, Price & Terms of Payment
- 15.h. **Conference with Labor Negotiator (54957.6)**
Agency Designated Representative: Sage Sangiacomo, City Manager
Employee Organizations: All bargaining units
Unrepresented Employee: Police Chief and City Attorney

16. ADJOURNMENT

Please be advised that the City needs to be notified 72 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. The City complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request. Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection at the front counter at the Ukiah Civic Center, 300 Seminary Avenue, Ukiah, CA 95482, during normal business hours, Monday through Friday, 8:00 am to 5:00 pm. Any handouts or presentation materials from the public must be submitted to the clerk 48 hours in advance of the meeting; for handouts, please include 10 copies.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Ukiah City Hall, located at 300 Seminary Avenue, Ukiah, California, not less than 72 hours prior to the meeting set forth on this agenda.

Araceli Sandoval, Deputy City Clerk
Dated: 5/29/26



AGENDA SUMMARY REPORT

SUBJECT: Consider Authorizing the City Manager to Negotiate and Execute Addendum No. 9 to the Ukiah Municipal Valley Course Lease Agreement with Tayman Park Golf Group, Inc.

DEPARTMENT: City Manager /
Admin

PREPARED BY: Maya Simerson, Senior Management Analyst, Jake
Burgess, Community Services Director

PRESENTER: Maya Simerson, Sr Management Analyst & Jake
Burgess, Community Services Director

ATTACHMENTS:

1. TPGG DRAFT COU 1617-112-A9

Summary: Council will consider authorizing the City Manager to negotiate and execute Addendum No. 9 to the Ukiah Municipal Golf Course Lease Agreement with Tayman Park Golf Group (TPGG), establishing water cost protections for TPGG, creating a funding mechanism for future water infrastructure improvements, and providing time to develop a long-term operating agreement that supports irrigation system modernization, sustainable water use, and repayment of City investments.

Background: The City of Ukiah owns the Ukiah Valley Golf Course (UVGC), which has been operated by Tayman Park Golf Group (TPGG) since 2006, and under the current lease agreement (Lease) since 2012. Over the course of the Lease between the City and TPGG, several amendments and addenda have been approved to address operational and financial challenges, particularly those associated with increasing water costs and drought conditions. The Lease is currently set to expire on September 30, 2026.

The Golf Course remains an important recreational and economic asset for the community, as well as providing a green space and a fire buffer in the urban and Western Hills interface. The Golf Course faces a challenge in that its long-term viability is closely tied to the availability and affordability of irrigation water. The City's ongoing investments in recycled water infrastructure presents an opportunity to reduce water costs and improve sustainability at the Golf Course.

Neither the City nor the operator is interested in entering into a long-term agreement at this point in time. Staff has been working with TPGG to identify a transition strategy that maintains stable operations while recycled water infrastructure improvements are designed and implemented. The proposed Addendum No. 9 to the Lease, attached hereto as Attachment 1, is intended to bridge the gap between current operations and a future long-term operating agreement supported by a more sustainable irrigation system.

This item is time-sensitive because the current lease expires on September 30, 2026, and action is needed to ensure continuity of operations and safeguard this important community asset while long-term solutions are developed.

This Addendum, along with the continued partnership and support of the Ukiah Men's and Women's Golf Clubs, perpetuates the successful relationships that have been established to support the facility both now and into the future.

Discussion: The proposed Addendum No. 9 includes several key provisions designed to balance operational certainty for TPGG with the City's long-term infrastructure objectives.

Protection from Water Cost Volatility

The Addendum establishes a continued maximum annual City contribution of \$180,000 toward water utility expenses. The Addendum also provides TPGG with a reduction in their CIP contributions, and the ability to use the reduced contribution in the amount of \$25,000 towards water utility costs if needed, and if approved by the City.

Funding Mechanism for Future Water and Recycled Water Improvements

The Addendum implements a Golf Course Support Fee (GCSF), directing revenues into a dedicated capital account for water-related improvements and expenses. These funds will accumulate over the term of the Addendum and can be used to support water utility costs, the second part of the two part recycled water connection improvements to the course, and potentially also support irrigation system improvement costs. The GCSF will be collected for each daily paid round of golf played and a percentage of the current rate for each annual pass sold, in the amount of \$3.00 per round of golf purchased, or at a cost of an additional 7.5% of an annual membership.

All GCSF's collected and shall be paid by TPGG into a new Capital Improvement Project, CIP Account #2, to be held at the Savings Bank of Mendocino County. Funds in this account are to be dedicated by TPGG for water-related expenses, including the cost of water utilities and improvements to the water distribution system.

Recycled Water Infrastructure Transition

The City will continue advancing the first part of the recycled water connection, which will connect recycled water to the Golf Course's primary irrigation distribution system. This primary location supplies water to about two-thirds of the Golf Course property. Revenue generated through the GCSF will assist in funding the second part of the connection that would expand recycled water use throughout the course.

The addendum aligns operational incentives with the City's broader recycled water objectives and helps reduce long-term reliance on potable water supplies.

Time to Develop a Long-Term Solution

The proposed extension term from October 1, 2026 through June 30, 2029 provides the City with approximately 33 months to evaluate recycled water performance, refine operational requirements, and negotiate a comprehensive long-term lease structure.

Staff anticipates that a future agreement will address:

- Long-term operational responsibilities;
- Irrigation system modernization and capital investment needs;
- Sustainable funding mechanisms for infrastructure improvements;
- Repayment of City investments associated with recycled water infrastructure; and
- Long-term financial sustainability of golf course operations.

The proposed addendum is intended to serve as a transitional agreement while these issues are fully evaluated and negotiated.

The proposed Addendum continues the reduced lease payment structure that is currently in place with TPGG and a continued City contribution toward annual water utility costs. However, it also creates a dedicated funding source through the Golf Course Support Fee that can be accumulated and applied toward future water and recycled water infrastructure improvements.

Over time, successful implementation of recycled water improvements is expected to reduce irrigation costs, improve operational sustainability, and support future repayment of City investments through a long-term operating agreement.

After consultation with active stakeholders, and from experience managing this Lease, Staff recommends that the City Council authorize the City Manager to negotiate final terms and execute Addendum No. 9 with Tayman Park Golf Group, Inc. The proposed Addendum provides operational stability, protects the operator against water cost uncertainty, establishes a funding mechanism for future water and recycled water infrastructure improvements, and creates the necessary time and flexibility to develop a comprehensive long-term agreement that supports both sustainable golf course operations and the City's broader water management objectives.

Recommended Action: Authorize the City Manager to negotiate final terms and execute Addendum No. 9 to the Ukiah Valley Golf Course Lease Agreement with Tayman Park Golf Group, Inc. (TPGG).

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

REVENUE: Yes / No GRANT: Yes / No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: COU No. 1617-112-A9

COORDINATED WITH: Frank Johnson, Tayman Park Golf Group, Ukiah Men's Golf Club, Sage Sangiacomo, City Manager and Darcy Vaughn, Assistant City Attorney

STRATEGIC PLAN (SP): **SP 1C** - Encourage and support an environmentally sustainable and resilient community by embracing new technology, setting policy, and evaluating critical infrastructure. **SP 2B** - Identify and/or develop funding for essential and vital infrastructure for the long-term.

GENERAL PLAN ELEMENTS (GP): **GP-A4** - Public Facilities, Services, and Infrastructure Element

Approved: 
Sage Sangiacomo, City Manager

COU No. 1617-112-A9**ADDENDUM NO. 9 TO THE UKIAH MUNICIPAL GOLF COURSE LEASE AGREEMENT;**

This Agreement (“Addendum 9” or “Addendum”) entered in Ukiah, California on this ___ day of _____, 2026, but effective as of September 30, 2026 (“Effective Date”), is executed by and between the City of Ukiah (“Lessor” or “City”), a general law municipal corporation, and Tayman Park Golf Group, Inc. (“Lessee” or “TPGG”), a corporation in good standing under the laws of the State of California. Lessor and Lessee are sometimes hereinafter referred to collectively as the “Parties” and individually as “Party.”

RECITALS:

1. On July 1, 2012, Lessor and Lessee entered into a Municipal Golf Course Lease Agreement (“Lease” or “Agreement”) for the golf course located at 599 Park Blvd, Ukiah, CA and further described in the Lease (“Leased Premises” or “UVGC”). The Lease has since been amended by Addendum 1, dated July 1, 2016, Addendum 2, dated July 1, 2017, Addendum 3, dated March 13, 2018, Addendum 4, dated October 17, 2018, Addendum 5, dated October 2, 2019, Addendum 6, dated April 1, 2020, Addendum 7, dated September 2, 2020, and Addendum 8, dated July 1, 2021. The Lease, as amended by the foregoing addenda, except as amended in this Addendum 9, shall remain in full force and effect.
2. At the inception of the Lease, the shareholders of Lessee, Tayman Park Golf Group, Inc., were James W. Stewart, who held a 95% interest, and Frank Johnson (“Johnson”), who held a 5% interest.
3. Paragraph 24 of the Lease provides that Lessee may not make a change in the majority ownership or control of Lessee without first procuring the written consent of Lessor at its sole discretion.
4. James W. Stewart, whose interest in Lessee was held by Mr. Stewart and his wife, Estherina Stewart, under their revocable trust (“the Trust”), has sold all of the Trust’s interest in Lessee to his co-shareholder, Johnson, effective as of December 31, 2022 (the “Change in Ownership”). Johnson has entered a loan agreement with the Trust (“Stock Purchase Loan”) under which he will pay the purchase price for the stock over a term of years.

AGREEMENT:

1. Extension of Term. The term of the Agreement is extended for an additional nine (9) months, from October 1, 2026 through June 30, 2027. If Phase 1 of the recycled water connected is completed, an automatic twenty-four (24) month extension (“Extension”) will initiate from July 1, 2027- June 30, 2029. During that Extension, TPGG may terminate the Agreement at their sole discretion after giving the City at least six (6) months’ written notice.

2. **Rent.** The reduced rent of forty-thousand dollars (\$40,000) per annum stays in effect for the duration of this Addendum.

3. **Golf Course Support Fee.** TPGG shall initiate the Golf Course Support Fee (GCSF), as approved in Addendum 3 to this Agreement, for each daily paid round of golf played and a percentage of the current rate for each annual pass sold, all due no later than fifteen (15) days after the end of the month during which the fees were collected and shall be paid into a new Capital Improvement Project, CIP Account #2, to be held at the Savings Bank of Mendocino County. Funds in this account are to be dedicated for water-related expenses, including the cost of water utilities and improvements to the water distribution system. The amount of these fees is amended from Addendum 3 to be \$3 per round, including annual membership rounds, and 7.5% of standard current amount charged for each annual pass sold after the effective date of this Addendum. The City reserves the right to increase this GCSF at its sole discretion during the term of this Addendum. The GCSF may be increased in one dollar (\$1) increments on all paid daily play rounds, and/or in one (1%) percent or two (2%) percent increments on all fees for annual passes and other non-daily rates collected. Such percentage adjustments will be rounded to the nearest dollar. This Addendum 9 will serve as public notice of such a fee increase.

4. **Recycled Water Connection.** City will provide funding for and will facilitate the connection of a recycled water distribution line to the portion of UVGC irrigation system distribution station located in the main pumphouse, as Phase 1 of the recycled water connection. Funding and implementation of Phase 2 of the connection of the UVGG irrigation system to recycled water will be accomplished through GCSF revenue.

5. **Utility Expenses.** City will pay up to \$180,000 of water utility expenses for the term of this Addendum. TPGG will be responsible for any water utility expenses above that amount. However, with approval from the City, TPGG may use the Capital Improvement Project (CIP) Account #1 and/or any amount accumulated in CIP Account #2 funds towards water utility costs that accrue over the base amount of \$180,000 each year. After water utility costs are met, any remaining allocated funds from the City are to be dedicated to the Phase 2 recycled water connection and any unused funds from either CIP fund are to be used per their respective purposes.

6. **TPGG CIP.** The TPGG CIP will be reduced to a flat \$25,000 per year for the remainder of this Term and Extension, and, on City approval, may be used towards water utility expenses should the amount the City has provided, and the amount of the reserves in the CIP#2 account, have already been exhausted.

7. **Recycled Water Phase 1 & 2 Connection.** Should the City complete both phases of the recycled water connection, connecting the full course to recycled water, during the term of this addendum either party can initiate the negotiation of new contract terms.

8. **Rounds Reports and Golf Support Fee Payments.** TPGG will prepare and transmit to the City a monthly "rounds report" to include the date range, number of rounds, each category of fee collected for the round, and total fees in each category of fee for the month. A second monthly report for annual memberships sold must also be included with the number of memberships sold list by category. The monthly rounds reports must be received in the formats shown in Attachment

1 to this Addendum, or their equivalent. Each monthly rounds report must be delivered to the City no later than fifteen (15) days after the end of the month when the fees were collected.

a. TPGG will prepare a summary of fees collected and pay the portion constituting the GCSF to the CIP Account #2. The GCSF Summary Sheet, in the format as shown in Attachment 2 to this Addendum, shall accompany the rounds reports and reconcile the rounds report and annual membership reports to the amount contributed to the CIP#2 fund.

b. The total of GCSF paid monthly will be added to the monthly Revenue Report provided to the City by TPGG's accounting department.

TPGG is responsible for providing the City a copy of the monthly bank statement for the CIP#2 account.

c. City staff, or its designee, may initiate an audit of the rounds report at any time. TPGG will cooperate with such rounds report audit by providing access to any documentation or information reasonably requested for use in conducting the audit.

d. If TPGG fails to deliver a monthly rounds report or fails to make a monthly GCSF payment within fifteen (15) days after the end of the month covered by the report, TPGG will be considered in breach of the Agreement. For the purposes of this section, if such breach is not cured within thirty (30) days of month end, then the City may, at its sole discretion, terminate this Agreement and/or pursue all other legal and equitable remedies.

9. TPGG Required Improvements to Cart Paths from Addendum 3. Section 10B of Addendum 3 is deleted in its entirety as the condition precedent did not occur.

10. Conditions for Consent to Change in Controlling Ownership of Lessee.

a. As a condition of Lessor's prior written approval of any future loan that is secured by personal property, including trade fixtures, located or installed on the Leased Premises, Lessee shall provide Lessor with security approved by Lessor.

b. Subject to the terms and conditions described in Section 9.a of this Addendum, Lessor hereby confirms its consent to this Change in Ownership of Lessee, reserving all rights under the Lease which require the consent of Lessor to any further change in ownership of Lessee.

c. Subject to this consent, Lessee and Lessor hereby agree that the Lease remains in full force and effect between the Parties in accordance with its terms.

THEREFORE, this Addendum 9 to the Ukiah Municipal Golf Course Lease is made and entered on the Effective Date.

CITY OF UKIAH
INC.

TAYMAN PARK GOLF GROUP,

Sage Sangiacomo, City Manager

Frank R. Johnson, President

ATTEST:

Kristine Lawler, City Clerk

Approved as to form:

Approved as to form:

David J. Rapport, City Attorney

Mark L. Gladden Esq.



AGENDA SUMMARY REPORT

SUBJECT: Acknowledgements:

- June as California Mountain Biking Month
- June as Immigrant Heritage Month
- June as Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, Two-Spirit, Plus (LGBTQIA2S+) Pride Month

DEPARTMENT: City Clerk

PREPARED BY: Araceli Sandoval, Deputy City Clerk

PRESENTER: Mayor Sher

ATTACHMENTS:

1. June 2026 Acknowledgements

Summary: City Council will recognize several important people, causes, and community observances through acknowledgements.

Background: While the City reserves formal proclamations for unique milestones and extraordinary achievements, acknowledgements allow the City to consistently recognize the many organizations, professions, cultures, and causes that strengthen the Ukiah community throughout the year.

Discussion: For the month of June 2026, the City of Ukiah recognizes (Attachment 1):

- June as **California Mountain Biking Month**, celebrating the recreational, health, environmental, and economic benefits of mountain biking and acknowledging the contributions of local riders and organizations in promoting trail stewardship, outdoor recreation, and tourism throughout the community.
- June as **Immigrant Heritage Month**, celebrating the cultural, civic, and economic contributions of immigrants and recognizing the important role immigrant communities play in strengthening the diversity, prosperity, and shared values of our community.
- June as **Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, Two-Spirit, Plus (LGBTQIA2S+) Pride Month**, celebrating the diversity, resilience, and contributions of the LGBTQIA2S+ community, affirming the City's commitment to equity and inclusion, and recognizing the 2026 theme, "We All Belong," which emphasizes unity, visibility, and belonging for all.

The City of Ukiah extends its appreciation to all individuals contributing to these efforts and recognizes the many dedicated professionals whose behind-the-scenes work, commitment, and expertise strengthen and serve the community.

Recommended Action: Recognize acknowledgements.

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

REVENUE: N/A **GRANT:** N/A

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Diversity and Equity Standing Committee

STRATEGIC PLAN (SP): **SP 3C** - Instill diversity, equity, and inclusion as essential core elements of policymaking, accountability, and delivery of City services.

GENERAL PLAN ELEMENTS (GP): N/A

Approved:


Sage Sangiacomo, City Manager



City Council Acknowledgements for June 3, 2026.

The City of Ukiah recognizes several important national and community observances that reflect the community's values of inclusion, wellness, cultural diversity, and civic engagement.

The City acknowledges June as **California Mountain Biking Month**, celebrating the recreational, health, environmental, and economic benefits of mountain biking and acknowledging the contributions of local riders and organizations in promoting trail stewardship, outdoor recreation, and tourism throughout the community.

The City of Ukiah recognizes June as **Immigrant Heritage Month**, celebrating the cultural, civic, and economic contributions of immigrants and recognizing the important role immigrant communities play in strengthening the diversity, prosperity, and shared values of our community.

The City acknowledges June as **Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, Two-Spirit, Plus (LGBTQIA2S+) Pride Month**, celebrating the diversity, resilience, and contributions of the LGBTQIA2S+ community, affirming the City's commitment to equity and inclusion, and recognizing the 2026 theme, "We All Belong," which emphasizes unity, visibility, and belonging for all.

The City of Ukiah extends its appreciation to all individuals contributing to these efforts and remains committed to fostering a vibrant, inclusive, and engaged community.

Recognized by the City Council of the City of Ukiah
June 3, 2026



AGENDA SUMMARY REPORT

SUBJECT: Presentation on the Annual Ukiah Airport Day, June 6, 2026.

DEPARTMENT: Airport

PREPARED BY: Greg Owen, Airport Manager

PRESENTER: Greg Owen, Airport Manager

ATTACHMENTS:

1. 2026 Airport Day Flyer

Summary: Council will receive a presentation on the Ukiah Airport's annual Ukiah Airport Day, taking place on June 6, 2026.

Background: In 2008, the Ukiah Airport Staff and Airport tenants wanted to invite the citizens of Ukiah to come out and enjoy the Airport. The first Airport Day was held on June 20, 2009. The most recent Airport Day was June 7, 2025.

Discussion: The Ukiah Airport Day is a free event put on by Airport Staff and volunteers. The event allows everyone to come out and get an up-close look at the many different types of aircraft that use our Airport.

Attachment 1 is the Airport Day Flyer detailing the activities of the day.

Recommended Action: Receive Presentation.

BUDGET AMENDMENT REQUIRED: No

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: N/A

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): GP-A3 - Mobility Element (Airport Promotion).

Approved: 
Sage Sangiacomo, City Manager



UKIAH

AIRPORT



DAY *

WHO'S HERE?

FIERY HEROICS, LIFE-SAVING
RESCUES, SKY AMBULANCE,
PARCEL PILOTS, VIP JET SETTERS,
& HOMETOWN ENTREPRENEURS

9 AM – 2 PM

UKIAH AIRPORT

JOIN THE FUN, TAKE THE STAGE, OR
SHOWCASE SOMETHING AMAZING
IN AVIATION! CALL 707-467-2855

06 JUNE 2026



THE DAY FEATURES: SKY-HIGH
FLYING DEMOS, CAL FIRE, CAL
STAR, GENERAL AVIATION, DJ
KEN STEELY SPINNING TUNES
AND MORE!

LOCAL NON-PROFITS, FOOD,
DRINK & CRAFT VENDORS
AVAILABLE FOR PURCHASE

**CITY OF UKIAH
CITY COUNCIL MINUTES
Regular Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue, Ukiah, CA 95482
Virtual Meeting Link: <https://us06web.zoom.us/j/81998296451>**

**May 20, 2026
5:15 p.m.**

1. ROLL CALL

Ukiah City Council met at a Regular Meeting on May 20, 2026, having been legally noticed on May 15, 2026. The meeting was held in person and virtually at the following link: <https://us06web.zoom.us/j/81998296451>. Mayor Sher called the meeting to order at 5:15 p.m. Roll was taken with the following **Councilmembers Present:** Douglas F. Crane, Mari Rodin, Heather Criss, Juan V. Orozco, and Susan Sher. **Staff Present:** Sage Sangiacomo, City Manager; Darcy Vaughn, Assistant City Attorney; and Araceli Sandoval, Deputy City Clerk.

MAYOR SHER PRESIDING.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilmember Criss.

3. AB 2449 NOTIFICATIONS AND CONSIDERATIONS

There were no AB 2449 notifications or considerations.

4. PROCLAMATIONS/INTRODUCTIONS/PRESENTATIONS

No proclamation, introduction, or presentation items were placed on the agenda.

5. PETITIONS AND COMMUNICATIONS

Deputy City Clerk, Araceli Sandoval, stated that no communications had been received.

6. APPROVAL OF MINUTES

- a. **Approval of the Minutes for the May 6, 2026, Regular Meeting.**
- b. **Approval of the Minutes for the May 12, 2026, Special Joint Meeting.**

Motion/Second: Orozco/Criss to approve Regular meeting minutes of May 6, 2026, and the Special joint meeting minutes of May 12, 2026, as submitted. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

7. RIGHT TO APPEAL DECISION

Mayor Sher read the right to appeal.

8. CONSENT CALENDAR

- a. Report of Disbursements for the Month of April 2026 – *Finance*.
- b. Approval of a Budget Amendment for the Server Room Project in the Amount of \$487,633 – *Police*.

- c. Adoption of Resolution (2026-37) Making Appointments to the 2026 Measure P Oversight Committee – *City Clerk*.
- d. Consideration of Approval of Contract Amendment (2425-199-A3) with Rincon Consultants, Inc. in the Amount of \$86,600, Adding Additional Services for the Purpose of Providing California Environmental Quality Act (CEQA) Professional Consulting Services and Geographic Information System (GIS) Support Pertaining to the City's Reorganization – *City Manager*.
- e. Consider Adoption of Resolution (2026-38) Authorizing Submittal of a Program Income Only Application (2526-222ga) to the California Department of Housing and Community Development for Funding under the HOME Investment Partnerships Program; and if Selected, the Execution of a Standard Agreement (252-222gb), Any Amendments Thereto, and of Any Related Documents Necessary to Participate in the HOME Investment Partnerships Program, as well as Authorization of the Corresponding Budget Amendments – *Community Development*.
- f. Annual Report on Mobilehome Park Rent Stabilization Program; Consideration to Authorize Use of Account Reserves for FY 25-26 Administrative Costs; Adoption of Resolution (2026-39) Updating Program Fees for FY 26-27; and Authorization to Waive Invoicing the Mobilehome Parks – *City Clerk*.

Motion/Second: Criss/Rodin to approve Consent Calendar Items 8a-8f, as submitted. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

9. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

No public comments were received.

10. COUNCIL REPORTS

Presenters: Councilmember Rodin and Mayor Sher.

11. CITY MANAGER/CITY CLERK REPORTS

No City Manager/City Clerk reports were received.

12. PUBLIC HEARINGS (5:30 PM)

a. Possible Adoption of an Urgency Ordinance Adopting Modifications to Ukiah City Code by Amending Chapter 2, Article 17, to Update Off-Street Parking Regulations.

Presenters: Jesse Davis, Chief Planning Manager and Craig Schlatter, Community Development Director.

PUBLIC HEARING OPENED AT 5:49 P.M.

No public comment was received.

PUBLIC HEARING CLOSED AT 5:49 P.M.

Motion/Second: Rodin/Criss to introduce and adopt an urgency ordinance by title only. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

Deputy City Clerk, Araceli Sandoval, read the ordinance title into the record.

Motion/Second: Rodin/Criss to introduce and adopt an urgency ordinance amending Ukiah City Code Chapter 2, Article 17, to update the City's off-street parking regulations. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

ORDINANCE NO. 1268

URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UKIAH AMENDING ARTICLE 17, CHAPTER 2, DIVISION 9 OF THE CITY CODE REGULATING OFF STREET PARKING AND LOADING IN THE CITY.

13. **UNFINISHED BUSINESS**

No proclamation, introduction, or presentation items were placed on the agenda.

14. **NEW BUSINESS**

a. Presentation and Direction to Staff Regarding the Ukiah Regional Airport Business Plan and One-Page Business Plan.

Presenter: Greg Owen, Airport Manager.

No public comment was received.

Motion/Second: Rodin/Criss to receive and file the Ukiah Regional Airport Business Plan and One-Page Business Plan; and to Staff to utilize the plans as guiding documents for airport development, grant applications, and budgeting. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

b. Receive a Report on Current Efforts and Strategic Direction of the City of Ukiah's Geographic Information System (GIS) Services.

Presenters: Mariam Garcia, GIS Analyst, Jesse Davis, Chief Planning Manager, and Craig Schlatter, Community Development Director.

No public comment was received.

Motion/Second: Criss/Rodin to receive report on current efforts and strategic direction of the City of Ukiah's Geographic Information System (GIS) services. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

c. Receive and Accept the 2026 City of Ukiah Housing Conditions Survey, Funded by a State Community Development Block Grant Planning Grant, and Provide Additional Direction to Staff as Necessary.

Presenters: Jim Robbins, Housing and Grants Manager, Andrea Trincado, Project and Grant Administrator, and Craig Schlatter, Community Development Director.

No public comment was received.

Motion/Second: Criss/Orozco to receive and accept the completed 2026 Housing Conditions Survey, funded by a State Community Development Block Grant Planning Grant. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

d. Requesting Approval for the Acquisition of Real Property at 701 South Orchard Ave and Authorization for the City Manager to Negotiate and Execute a Purchase Agreement to Benefit the Electric Utility Department in the Amount of \$329,000, Plus Closing Costs and Find the Project Categorically Exempt from the California Environmental Quality Act Pursuant to CEQA Guidelines § 15301 (Existing Facilities).

Presenters: Maya Simerson, Senior Management Analyst and Cindy Sauers, Electric Utility Director.

No public comment was received.

Motion/Second: Crane/Rodin to find that the acquisition of real property at 701 South Orchard Ave is categorically exempt from CEQA pursuant to Guidelines §15301(b), Class 1 (Existing Facilities). Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

Motion/Second: Crane/Rodin to approve the acquisition of real property at 701 South Orchard Ave and authorize the City Manager to negotiate and execute a Purchase Agreement (2526-220) with D&J Investments Inc. in the amount of \$329,000, plus closing costs, and approve the corresponding budget amendment. Motion **carried** by the following roll call votes: AYES: Crane, Rodin, Criss, Orozco, and Sher. NOES: None. ABSENT: None. ABSTAIN: None.

e. Presentation of the Fiscal Year 2026–27 Electric Utility Department Draft Budget and Five-Year Capital Improvement Plan.

Presenters: Cindy Sauers, Electric Utility Director and Olga Keough, Finance Controller

No public comment was received.

Electric Utility – Cindy Sauers, Electric Utility Director

Electric Distribution (7:06 p.m.)

Electric Technical Services (7:09 p.m.)

Electric Administration (7:17 p.m.)

Presentation was received.

f. Receive Updates on City Council Committee and Ad Hoc Assignments and, if Necessary, Consider Modifications to Assignments and/or the Creation/Elimination of Ad hoc(s).

Presenter: Mayor Sher and Vice Mayor Orozco.

THE CITY COUNCIL ADJOURNED TO CLOSED SESSION AT 7:35 P.M.

15. CLOSED SESSION

a. Conference with Legal Counsel – Anticipated Litigation

(Government Code Section 54956.9(d)(4))

Initiation of litigation (1 case)

b. Conference with Legal Counsel – Anticipated Litigation

(Government Code Section 54956.9(d)(2))

Significant exposure to litigation (2 cases)

c. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: Nui Rising Moon Trust v. City of Ukiah, et al.; Case No. 3:25-cv-08320

d. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: Vichy Springs Resort v. City of Ukiah, Et Al; Case No. SCUk-CVPT-2018-70200

e. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: Vichy Springs Resort, Inc v. City of Ukiah, et al.; Case No. 24-cv-07106-JSC

f. Conference with Real Property Negotiators

(Cal. Gov't Code Section 54956.8)

Property: APN Nos: 001-020-78-00, 001-030-01, 001-090-01

Negotiator: Maya Simerson, Senior Management Analyst, City Manager's Office and Jake Burgess, Community Services Director

Negotiating Parties: Tayman Park Golf Group

Under Negotiation: Price & Terms of Agreement

g. Conference with Real Property Negotiators

(Cal. Gov't Code Section 54956.8)

Property: APN Nos: 170-030-05; 170-030-03; 170-010-05; 170-020-07; 170-020-11; 170-040-03; 170-020-08

Negotiator: Sage Sangiacomo, City Manager

Negotiating Parties: Project Ovis LLC

Under Negotiation: Price & Terms of Payment

h. Conference with Labor Negotiator (54957.6)

Agency Designated Representative: Sage Sangiacomo, City Manager

Employee Organizations: All bargaining units

Unrepresented Employee: Police Chief and City Attorney

No action reported; direction provided to Staff.

16. ADJOURNMENT

There being no further business, the meeting adjourned at 9:15 p.m.

Araceli Sandoval
Deputy City Clerk



AGENDA SUMMARY REPORT

SUBJECT: Report to Council Regarding the 2026 Conflict of Interest Code Biennial Notice, and Direct the City Clerk to Amend the Conflict of Interest Code per Guidelines Provided by the Fair Political Practices Commission (FPPC), Conduct a 45-day Public Notice Period, and if Necessary, Schedule a Public Hearing to Consider Adoption of the Amended Conflict of Interest Code.

DEPARTMENT: City Clerk

PREPARED BY: Kristine Lawler, City Clerk

PRESENTER: Kristine Lawler, City Clerk

ATTACHMENTS:

1. 2026 Local Agency Biennial Notice

Summary: The City Council will receive the 2026 Conflict of Interest Code Biennial Notice, as directed by the Fair Political Practices Commission (FPPC), and consider directing the City Clerk to amend the Conflict of Interest Code per the FPPC guidelines, seek review from the City Attorney, open a 45-day public comment period, and if necessary, schedule a public hearing for consideration of adopting the amended Conflict of Interest Code.

Background: The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially. A Conflict of Interest Code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (a.k.a. Form 700).

Discussion: The FPPC has prepared a 2026 Local Agency Biennial Notice form (Attachment 1) for local agencies to complete and submit to the code reviewing body, which in this case is the Ukiah City Council, by October 1, 2026. The FPPC directs that the first step in making any amendments is to get direction from the legislative body to the clerk to pursue making the amendments and initiating a 45-day notice.

Staff has determined that the following substantial amendments are necessary:

- Add new positions
- Revise/update the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions

The FPPC has provided guidelines to help determine what positions and interests are required on the Conflict of Interest Code, and which are not necessary. The City Clerk will work with Human Resources and use these guidelines to modify the existing list, then – per FPPC guidelines – provide a 45-day public comment period for the suggested amendments, and if requested by an employee or public member, schedule a public hearing and/or bring the amended Conflict of Interest Code to the Council for adoption.

The recommended action for this agenda item is to receive the 2026 Conflict of Interest Code Biennial Notice and direct City Clerk to:

- Amend the Conflict of Interest Code per the FPPC guidelines,

- Seek review from the City Attorney,
- Provide a 45-day public comment period for the suggested changes, and
- If requested, schedule a public hearing and/or bring the amended Conflict of Interest Code to the Council for adoption.

Recommended Action: Receive the 2026 Conflict of Interest Code Biennial Notice and direct City Clerk to amend the Conflict of Interest Code per the FPPC guidelines, seek review from the City Attorney, provide a 45-day public comment period for the suggested modifications, and if necessary, schedule a public hearing to consider adoption of the amended Conflict of Interest Code.

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

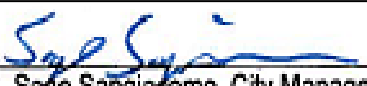
REVENUE: No GRANT: No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: N/A

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): N/A

Approved: 
Sage Sangiacomo, City Manager

2026 Local Agency Biennial Notice

Name of Agency: City of Ukiah

Mailing Address: 300 Seminary Avenue, Ukiah, CA 95482

Contact Person: Kristine Lawler Phone No. 707-463-6217

Email: klawler@cityofukiah.com Alternate Email: cityclerk@cityofukiah.com

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

☒ **An amendment is required. The following amendments are necessary:**

(*Check all that apply.*)

- ☒ Include new positions
- ☐ Revise disclosure categories
- ☒ Revise the titles of existing positions
- ☒ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other (*describe*) _____

☐ **The code is currently under review by the code reviewing body.**

☐ **No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2026**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.



AGENDA SUMMARY REPORT

SUBJECT: Adoption of Resolution Calling for the Holding of a General Municipal Election to be Held on November 3, 2026, and to Consolidate and Request the County Elections Official to Conduct Said Election with the Statewide General Election.

DEPARTMENT: City Clerk

PREPARED BY: Kristine Lawler, City Clerk

PRESENTER: Kristine Lawler, City Clerk

ATTACHMENTS:

1. Resolution - Call for Election 2026

Summary: The City Council will consider adopting a resolution that will call for an election to be held on November 3, 2026, for city council candidates, and to request the County Elections Official to conduct the municipal election in consolidation with the statewide general election.

Background: The City of Ukiah historically has consolidated its elections with Mendocino County. The estimated cost for providing these election services, based on the invoice received for the 2022 election, is \$20,000, depending on how many cities consolidate with the County, and other variables that are unknown at this time. This cost will be budgeted accordingly in the Fiscal Year 2026-2027 Elections budget.

Discussion: In order to conduct an election on November 3, 2026, the City Council must adopt the resolution (Attachment 1) calling for the holding of a general municipal election November 3, 2026, pursuant to Elections Code §10403, and contracting with the County of Mendocino for election services pursuant to Elections Code §10002. The election is necessary to fill the vacancies created by the expiration of three Council terms: Mari Rodin, Juan V. Orozco, and Susan Sher.

Recommended Action: Adopt the resolution calling for the holding of a General Election November 3, 2026; to consolidate said Election with the Statewide General Election pursuant to Election Code §10403; and request the Board of Supervisors of the County of Mendocino to request the County Elections Official to Conduct the Municipal Election of the City of Ukiah on Tuesday, November 3, 2026, pursuant to Election Code §10002.

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: FY 26-27 \$20,000

FINANCING SOURCE: 10012500.52100 - City Clerk Contracted Services

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: N/A

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): N/A

Approved: 
Sage Sangiacomo, City Manager

RESOLUTION NO. 2026-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON NOVEMBER 3, 2026, FOR THE ELECTION OF CITY COUNCIL CANDIDATES; TO CONSOLIDATE SAID ELECTION WITH THE STATEWIDE GENERAL ELECTION HELD ON THE SAME DATE PURSUANT TO ELECTIONS CODE §10403; AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF MENDOCINO TO REQUEST THE COUNTY ELECTIONS OFFICIAL TO CONDUCT THE MUNICIPAL ELECTION OF THE CITY OF UKIAH ON TUESDAY, NOVEMBER 3, 2026, PURSUANT TO ELECTIONS CODE §10002.

WHEREAS,

1. The City Council of the City of Ukiah has determined to call a Municipal Election to be held on Tuesday, November 3, 2026, to fill three (3) City Council positions; and
2. Elections Code §10403 authorizes the City Council of the City of Ukiah ("City") to request the Mendocino County Board of Supervisors to consolidate a municipal election with the statewide election scheduled for November 3, 2026; and
3. Elections Code §10002 authorizes the Elections Official of the County of Mendocino to render specified services relating to the conduct of an election to any city or district which has by resolution requested the Board of Supervisors to permit the County Elections Official to render the services, subject to requirements set forth in that section; and
4. Pursuant to Elections Code §10403(3), the City Council acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code §10418.

NOW, THEREFORE, BE IT RESOLVED that:

1. A municipal election shall be held on November 3, 2026, to fill three (3) City Council positions; and
2. Pursuant to the above cited provisions, the Board of Supervisors of the County of Mendocino is hereby requested to permit the County Elections Official to perform and render all services and proceedings incidental to and connected with the conduct of the November 3, 2026, Municipal Election of the City of Ukiah with the cooperation and assistance of the City Clerk of the City of Ukiah, such services to include, but not be limited to, the following:
 - a. Establish precinct boundaries to coincide with Statewide Election.
 - b. Designate polling locations and appoint election officers.
 - c. Notify election officers of their appointment and instruct inspectors concerning their duties.
 - d. Appoint and pay election officers.
 - e. Arrange for the availability of polling locations, all supplies necessary for casting ballots, and setting up voting booths, if necessary.
 - f. Publish lists of precincts, election officers, dates and times polling locations will be open.
 - g. Verify signatures appearing on candidates' nomination papers;
 - h. Provide sample ballots to each voter.
 - i. Receive absent voter applications, accept absent voter ballot returns, retain custody of absent voter ballot, and count absent voter ballots.

- j. Provide Certificate of County Elections Official as to result of the Canvass, for approval by the City Council.
- k. Provide a detailed accounting of services rendered, including any hidden Excel formulas.

BE IT FURTHER RESOLVED, the City Clerk shall be responsible for:

- a. Publication of Notice of Election.
- b. Publication of Candidate Information as required by law.
- c. Distribution and receipt of nomination papers.
- d. Receipt of Candidate Statements and printing deposits.
- e. Receive campaign statements and disclosure statements as required by law.

BE IT FURTHER RESOLVED, in consideration of the services rendered by the County Elections Official and described herein, the City of Ukiah agrees to pay the actual direct costs reasonably attributable to the City's Municipal Election, and a ten percent (10%) charge for associated overhead based upon a detailed invoice prepared by the County Elections Official and presented to the City for payment, and payment for services due shall be made after billing is submitted by the County of Mendocino.

THE FOREGOING RESOLUTION WAS ADOPTED at a regular meeting of the Ukiah City Council held on the 3rd day of June 2026, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Susan Sher, Mayor

ATTEST:

Araceli Sandoval, Deputy City Clerk



AGENDA SUMMARY REPORT

SUBJECT: Consider Adoption of a Resolution Authorizing the Renewal of the City's Tax and Revenue Anticipation Note (TRAN) Program for Fiscal Year 2026-27; and Authorize Staff to Negotiate and Execute Corresponding Agreements and Documents.

DEPARTMENT: Finance

PREPARED BY: Dan Buffalo, Finance Director

PRESENTER: Dan Buffalo, Finance Director

ATTACHMENTS:

1. Redline - Ukiah 2026-27 TRAN Authorizing Resolution
2. Redline - Ukiah 2026-27 TRAN Note Purchase Agreement

Summary: Staff recommends renewal of the City's Tax and Revenue Anticipation Note (TRAN) with Umpqua Bank for FY 2026-27 to ensure continued access to short-term capital in support of the City's infrastructure program. Maintaining access to this revolving line of credit remains essential as the City undertakes multiple large-scale grant-funded projects. With continued uncertainty and delays in reimbursements from the State and other grantors, the TRAN provides a reliable and cost-effective financing mechanism to meet cash flow needs without depleting reserves.

Renewing the TRAN preserves the City's flexibility to address timing mismatches between expenditures and revenue collection and is a prudent fiscal strategy that supports the uninterrupted progress of critical capital improvements.

Because certain terms of the financing documents continue to be negotiated between the City Attorney and counsel for Umpqua Bank, Staff further recommends that the City Council authorize the City Attorney to finalize the Note Purchase Agreement and related financing documents, subject to approval as to form, and authorize the City Manager to negotiate and execute the final agreements on behalf of the City.

Background: In October 2025, the City Council approved a resolution authorizing the issuance of a \$10 million revolving line of credit with Umpqua Bank in the form of a Tax and Revenue Anticipation Note to be repaid from fiscal year 2025-26 revenues. If needed, the FY 2025-26 TRAN was available to provide critical short-term liquidity to bridge the gap between expenditures, particularly for large infrastructure projects such as Phase 4 of the Recycled Water System, and the receipt of revenues including grant reimbursements and property taxes.

The structure was designed to align with the City's cash flow cycles, allowing the City to draw on funds as needed and repay within the same fiscal year. The agreement included a provision for renewal, contingent upon annual Council authorization.

During FY 2025-26, the City utilized the line of credit to assist with interim cash flow needs associated with major capital and grant-funded projects. The City drew approximately \$4.5 million under the facility and subsequently repaid the outstanding balance in full during the fiscal year. Total interest incurred in connection with the borrowing was approximately \$19,329. The financing facility successfully provided short-term liquidity support while allowing the City to avoid depleting reserves during periods of delayed reimbursement and uneven project cash flow timing.

The structure was designed to align with the City's cash flow cycles, allowing the City to draw on funds as needed and repay within the same fiscal year. The agreement included a provision for renewal, contingent upon annual Council authorization.

The successful utilization and repayment of the FY 2025-26 TRAN demonstrated the effectiveness of the facility as an important financial management tool as the City advances multiple large-scale capital and infrastructure projects.

Discussion: Staff is proposing execution of a new FY 2026-27 Tax and Revenue Anticipation Note with Umpqua Bank, again structured to provide up to \$10,000,000 in revolving financing at any given time, with the ability to reborrow amounts as long as the total outstanding balance does not exceed 85% of the City's anticipated uncollected tax, income, and other revenues for FY 2026-27.

The facility will allow the City to cover expenditures for key projects and other grant-funded capital improvements, without depleting reserves.

Because certain provisions of the financing documents remain under review by the City Attorney and counsel for Umpqua Bank, Staff recommends that the City Council authorize the City Attorney to finalize the agreements and related financing documents, subject to approval as to form, and authorize the City Manager to execute the final documents once negotiations by the parties are complete. Should there be any material or significant changes to the final financing documents from the substantially final form presented to the City Council here, Staff will return to the City Council and provide an update after the documents have been executed.

Key elements of the financing structure include:

- **Amount:** Maximum \$10,000,000 revolving facility, with reborrowing allowed under certain conditions, as authorized by the Resolution (Attachment 1) and the Note Purchase Agreement (Attachment 2).
- **Term:** Maturity on June 30, 2027. The City retains the ability to renew the Note annually by adopting a new resolution and entering into a new Note Purchase Agreement each fiscal year, if necessary.
- **Interest Rate:** Variable rate structure tied to the Federal Funds Rate plus 1.50%, subject to a minimum rate of 4.00% and a maximum rate of 10.00%, as further described in the Note Purchase Agreement.
- **Fees:** Umpqua Bank has agreed to continue waiving the annual loan fee of \$25,000 associated with the facility due to the City maintaining additional banking relationships and operating accounts with the Bank. In addition, Umpqua Bank will continue providing an Earnings Credit Rate (ECR) to offset monthly banking service fees.
- **Repayment Source:** General Fund revenues or revenues from the fund in which temporary cash flow is needed, supplemented by grant reimbursements.
- **Payment Structure:** Revolving loan with required monthly interest payments. Any outstanding principal balance shall be due no later than June 30, 2027.
- **Renewal Costs:**
 - There are no additional costs associated with the City's financial advisor or the Bank.
 - Bank Counsel (Nixon Peabody) has indicated that legal document preparation costs associated with the renewal are expected to remain capped at approximately \$12,500 annually. The Finance Director, after consultation with the City Attorney, has determined these costs to be reasonable given the due diligence and updated documentation required for annual renewals.

The flexible interest-only repayment structure ensures that the City incurs borrowing costs only when funds are actually drawn, providing a prudent and cost-effective approach to managing cash flow fluctuations.

Benefits of the Financing

- **Liquidity for Critical Projects:** The revolving note provides immediate access to up to \$10 million, ensuring that the City can continue major infrastructure and grant-funded projects without interruption.
- **Prudent Cash Flow Management:** The financing assists the City in addressing timing differences between expenditures and receipt of revenues such as grants, taxes, and reimbursements.
- **Cost-Effective Structure:** The City incurs interest costs only on amounts actually borrowed.
- **Low Administrative Costs:** Continued waiver of the annual loan fee and the Earnings Credit Rate structure provide additional financial benefits to the City.
- **Flexibility:** The revolving nature of the facility and annual renewal structure provide ongoing flexibility as the City's infrastructure and financing needs evolve.

Potential Risks

- **Variable Interest Rate Exposure:** Because the interest rate is tied to the Federal Funds Rate, future increases in rates could increase borrowing costs.
- **Repayment Obligation:** Any outstanding balance must be repaid no later than June 30, 2027. Delays in anticipated revenues or grant reimbursements could require temporary use of reserves or alternative financing.
- **Dependence on Future Revenues:** The financing structure assumes timely receipt of revenues and reimbursements.
- **Impact on Future Borrowing Capacity:** While the Note provides short-term liquidity, the City must continue to monitor its overall debt and borrowing profile.

This financing solution provides the City with an effective tool to address short-term liquidity needs while ensuring continuity of major infrastructure and capital projects. Staff will continue to actively monitor interest rates, grant reimbursement timing, and cash flow needs throughout the fiscal year.

Timing

Upon Council adoption of the proposed resolution, City Staff, the City Attorney, Bank Counsel, and Columbia Bank, as successor in name to Umpqua Bank, will finalize the Note Purchase Agreement and related financing documents in anticipation of closing the FY 2026-27 Notes in early July 2026 in order to maintain liquidity options for the upcoming fiscal year.

Note Purchase Agreement

To proceed with the issuance of the FY 2026-27 Notes, the City Council must adopt the proposed Resolution and approve the substantially final form of the Note Purchase Agreement. As referenced in the Resolution, Staff recommends that the City Council authorize the City Attorney to finalize the Note Purchase Agreement and related financing documents, subject to approval as to form, and authorize the City Manager to execute and deliver the final agreements and related documents on behalf of the City.

The Note Purchase Agreement is between the City and Columbia Bank, as successor in name to Umpqua Bank. The Agreement establishes the terms under which the Bank will provide the revolving financing, including the interest rate mechanism, repayment terms, representations and warranties of the parties, and conditions precedent to funding.

Financial Impact

A budget amendment may be required to reflect any interest expenditures incurred during FY 2026-27 if draws are made under the renewed Note. The borrowing and repayment of principal are considered balance sheet transactions and do not directly impact revenues or expenditures.

Alternatives

Do not renew the Note. This would eliminate an important liquidity management tool and may require the use

of reserves or alternative financing mechanisms if grant reimbursements or other anticipated revenues are delayed.

Recommended Action:

1. Adopt the Resolution authorizing the issuance and sale of the City of Ukiah FY 2026-27 Tax and Revenue Anticipation Note in an amount not to exceed \$10,000,000, to be drawn upon if needed.
2. Approve the substantially final form of the Note Purchase Agreement.
3. Authorize the City Attorney to finalize the Note Purchase Agreement and related financing documents, subject to approval as to form.
4. Authorize the City Manager to execute the final financing documents on behalf of the City following completion of negotiations and final legal review.
5. Authorize the Finance Director and other authorized officers to take all additional actions necessary to implement and administer the financing program.

BUDGET AMENDMENT REQUIRED: No

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: David Rapport, City Attorney

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): N/A

Approved: 
Sage Sangiacomo, City Manager

NP DRAFT ~~45/2428~~**RESOLUTION NO. _____****A RESOLUTION OF THE COUNCIL OF THE CITY OF UKIAH PROVIDING FOR THE BORROWING OF FUNDS FOR FISCAL YEAR 2026-27 AND THE ISSUANCE AND SALE OF THE CITY OF UKIAH 2026-27 TAX AND REVENUE ANTICIPATION NOTE AND APPROVING THE EXECUTION OF A NOTE PURCHASE AGREEMENT RELATING TO SUCH NOTE AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH**

WHEREAS, pursuant to Sections 53850 to 53858, both inclusive, of the California Government Code, being Article 7.6, Chapter 4, Part 1, Division 2, Title 5 thereof (the “Law”), the City Council (the “Council”) of the City of Ukiah (the “City”) has found and determined that at least \$10,000,000 is needed by the City in Fiscal Year 2026-27 to satisfy obligations of the City payable from the General Fund of the City (the “General Fund”) during Fiscal Year 2026-27 before the receipt of taxes, income, revenue, cash receipts and other moneys of the City to be received for or accrued to the General Fund during Fiscal Year 2026-27 will be available for such purpose, and that it is necessary that at least such sum be borrowed for such purpose by the issuance of a temporary note in anticipation of such receipt; and

WHEREAS, the City intends to initially borrow up to \$10,000,000 to be outstanding at any time for such purpose by the issuance and sale of its 2026-27 Tax and Revenue Anticipation Note (as defined more particularly in Section 3 hereof, the “Note”), which such principal may be repaid and reborrowed up to a principal amount that, when added to the interest payable thereon and to all previous principal amounts borrowed, in the aggregate, does not exceed eighty-five percent (85%) of the estimated amount of the estimated uncollected taxes, income, revenue, cash receipts and other moneys of the City anticipated to be received for or accrued to the General Fund during Fiscal Year 2026-27 that will be available for the payment of the interest on and the principal of the Note (such amount, the “Maximum Amount”); and

WHEREAS, it appears, and the Council hereby finds and determines, that the total principal amount of the Note, when added to the interest payable thereon, will not exceed eighty-five percent (85%) of the estimated amount of the estimated uncollected taxes, income, revenue, cash receipts and other moneys of the City anticipated to be received for or accrued to the General Fund during Fiscal Year 2026-27 that will be available for the payment of the interest on and the principal of the Note; and

WHEREAS, no money has heretofore been borrowed by the City in anticipation of the receipt of, or payable or secured by, any taxes, income, revenue, cash receipts or other moneys of the City to be received for or accrued to the General Fund during Fiscal Year 2026-27; and

WHEREAS, in compliance with Government Code Section 8855, the City has previously adopted a local debt policy and the Council hereby finds and determines that the Note will be issued in conformance with said policy; and

WHEREAS, the City wishes to authorize the issuance of the Note (to be issued in portions) to be purchased by Columbia Bank (as successor in name to Umpqua Bank and including its successor and assigns, the “Bank”) in an amount not to exceed the Maximum Amount from the City in accordance with a note purchase agreement by and between the City and the Bank, as originally executed and as they may be amended from time to time in accordance with its terms (the “Note Purchase Agreement”); and

WHEREAS, pursuant to Government Code Section 5852.1, the Council has obtained from the Bank certain good faith estimates of (a) the true interest cost of the Note, (b) the finance charge of the Note, (c) the amount of proceeds received for the sale of the Note, less the finance charge and any reserves or capitalized interest paid or funded with the proceeds of the Note, and (d) the total payment amount calculated to the final maturity of the Note, and such estimates are disclosed and set forth in Exhibit C attached hereto; and

WHEREAS, pursuant to the Law, certain taxes, income, revenue, cash receipts and other moneys of the City which will be received for or accrued to the General Fund during Fiscal Year 2026-27 can and will be pledged for the payment of the principal of and interest on the Note; and

WHEREAS, pursuant to the Law and this Resolution, the City has pledged all Revenues (as such terms are defined in the Note Purchase Agreement) to the payment of the principal of and interest on the Note.

NOW THEREFORE, the City Council of the City of Ukiah does hereby resolve, find, and determine as follows:

Section 1. Recitals. All of the recitals hereinabove set forth are true and correct, and the Council so finds and determines and the Council further finds and determines that all acts, conditions and things required by law to exist, to have occurred and to have been performed precedent to the issuance and sale of the Note do exist, have occurred and have been performed in regular and due time, form and manner as required by law, and that the Council is empowered under the Law to issue and sell the Note as provided herein.

Section 2. Defined Terms. Unless otherwise defined herein, capitalized terms used in this Resolution shall have the meanings given such terms in the Note Purchase Agreement.

Section 3. Issuance of Note.

a. Solely for the purpose of anticipating taxes, income, revenue, cash receipts and other moneys of the City to be received for or accrued to the General Fund during Fiscal Year 2026-27, the City hereby determines at this time to and shall borrow up to the initial principal sum of \$10,000,000 by the issuance of the Note under the Law, designated the “City of Ukiah 2026-27 Tax and Revenue Anticipation Note.”

b. The Note is subject to optional prepayment, without premium, prior to the maturity date thereof, in accordance with the terms of the Note Purchase Agreement; and each draw thereupon can be prepaid without premium or penalty. Amounts repaid under the Note may

be reborrowed in an amount not to exceed \$10,000,000 at any time; provided, however, that such additional principal amount, when added to the interest payable thereon and to all previous principal amounts borrowed under the Note, does not exceed the Maximum Amount.

c. The Note shall be dated the date of issuance thereof and shall mature and be payable as provided in the Note Purchase Agreement. Interest on the Note shall be calculated upon the amount of principal outstanding for each Interest Period (as such term is defined in the Note Purchase Agreement), in no event to exceed ten percent (10%) per annum. The principal amount of the Note (including the portions purchased by the Bank thereof) and the then applicable interest rate shall be noted by the Bank on the form of the Note in accordance with the Note Purchase Agreement and shall not exceed the Maximum Amount.

d. The Note shall be issued in the name of the City and registered in the name of the Bank, as the registered owner thereof (together with any of the Bank's successors or assigns as permitted in the Note Purchase Agreement, the "Owner"), and shall be evidenced by a single note. The Bank shall have the right to sell or transfer the Note or to otherwise directly or indirectly transfer or assign any interest in the Note only to the extent permitted in the Note Purchase Agreement. The City shall be entitled to treat the Bank as the "Owner" of the Note as indicated therein and as the absolute owners of the Note for all purposes under this Resolution and for purposes of payment of principal of and interest on such Note, notwithstanding any notice to the contrary received by the City.

e. The City Manager, the Director of Finance or their authorized designees (each an "Authorized Representative"), each acting alone, are hereby authorized and directed to provide any notices or other directions of the City to the Bank pursuant to the Note Purchase Agreement.

f. An Authorized Representative will maintain or cause to be maintained, at his or her office in Ukiah, California, sufficient books for the registration of the Note.

Section 4. Form of Note. The Note shall be issued without coupons and shall be substantially in the form thereof set forth in Exhibit A attached hereto and incorporated herein, together with such changes, additions, and deletions thereto as deemed necessary and as approved by an Authorized Representative before the execution, authentication and delivery of the Note.

Section 5. Execution of Note. Each Authorized Representative (including officials acting in this position on an interim basis) acting alone are authorized to execute the Note by their manual or facsimile signature, and the City Clerk (including officials acting in this position on an interim basis) is hereby authorized to countersign the Note by manual or facsimile signature. The Note shall not be valid, however, unless and until an Authorized Representative (including the person acting in such position on an interim basis) shall have manually authenticated such Note by executing the Certificate of Authentication printed thereon.

Section 6. Use of Proceeds of Note. The City shall, immediately upon receiving the proceeds of the sale of the Note or portions thereof, deposit in the General Fund all amounts

representing the proceeds of the Note received from such sale, and such proceeds shall be used for the purpose specified in the Note Purchase Agreement or otherwise permitted by applicable law.

Section 7. Security for Note; Security Interest.

a. The City hereby pledges all Revenues (as that term is defined in the Note Purchase Agreement) excluding moneys which, when received by the City, will be encumbered for a special purpose (collectively, the “Pledged Revenues”) to the payment of the principal of and interest on the Note. The Note shall be equally and ratably secured by the Pledged Revenues. This pledge is valid and binding in accordance with the terms of this Resolution and the Pledged Revenues shall immediately be subject to the pledge, and the pledge shall constitute a first lien and security interest which shall immediately attach to the Pledged Revenues and be effective, binding, and enforceable against the City, its successors, creditors, and all others asserting the rights therein, to the extent set forth, and in accordance with this Resolution irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing, or further act.

b. Subject to written consent from the Bank, nothing in this Resolution shall prohibit the City from issuing additional tax and revenue anticipation notes payable from the Pledged Revenues or other available funds on a basis subordinate to the Note (“Subordinate Notes”); provided that with respect to any such Subordinate Notes, the City shall not, prior to the payment in full of the Note, (i) make any scheduled payments of principal of or interest on such Subordinate Notes prior to the payment of principal of or interest on the Note, (ii) make any prepayment thereof, or (iii) issue any such Subordinate Notes that have a maturity date earlier than the stated maturity date of the Note.

Section 8. Sale of Note. The Note Purchase Agreement, in the form thereof set forth in Exhibit B attached hereto and incorporated herein, is hereby approved, and the Authorized Representatives, or their designee, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Bank the Note Purchase Agreement in said form (which Note Purchase Agreement shall contain the maturity date and the interest rates and the prepayment provisions for the Note), with such changes as such Authorized Representative may require, deem necessary, or approve upon consultation with the City Attorney, such approval to be conclusively evidenced by the execution and delivery thereof; provided however, the maximum rate of interest on the Note shall not exceed 10.00%, for the utilized portion of the Note.

Section 9. Further Actions. Each Authorized Representative is hereby authorized and directed to execute and deliver the Note to the Bank in accordance with the Note Purchase Agreement, and the City Manager, the Director of Finance, and the City Clerk are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, including but not limited to an agreement relating to the breakage fee related to the Note, which they, or any of them, may deem necessary or advisable in order to consummate the

lawful issuance and delivery of the Note in accordance with this Resolution, and all actions heretofore taken by such officers with respect to the sale and issuance of the Note are hereby approved, confirmed and ratified. Any authority delegated under this Resolution to a specified official (including officials acting in these positions on an interim basis) of the City may also be exercised by the specified official's authorized designee.

Section 10. Resolution to Constitute Contract. It is hereby covenanted and warranted by the City that all representations and recitals contained in this Resolution are true and correct, and that the City, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the levy and collection and deposit of the Revenues (as defined in the Note Purchase Agreement) pledged hereunder in accordance with the Law and with this Resolution and for carrying out the provisions of this Resolution. It is hereby further covenanted and warranted by the City that the provisions of the Note and of this Resolution shall constitute a contract between the City and the Owner, and such provisions shall be enforceable by mandamus or any other appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction; provided, that notwithstanding any other provision hereof to the contrary, upon the City's failure to observe, or refusal to comply with, the covenants contained herein, no one other than the Owner or former Owner of the Note shall be entitled to exercise any right or remedy under this Resolution on the basis of the City's failure to observe, or refusal to comply with, such covenants.

Section 11. Amendments. This Resolution may be amended by a supplemental resolution adopted by the Council with the written consent of the Owners of one hundred percent (100%) of the principal amount of the Note outstanding.

Section 12. Severability. If any one or more of the provisions of this Resolution shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the decision, finding, order or decree of which becomes final, none of the remaining provisions of this Resolution shall be affected thereby, and such provisions shall be valid and enforceable to the fullest extent permitted by applicable law.

Section 13. Effective Date. This Resolution shall take effect from and after its adoption.

Section 14. Certification. The City Clerk shall certify as to the adoption of this Resolution.

ADOPTED this 3rd day of June 2026, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

Mayor

ATTEST:

City Clerk

EXHIBIT A**FORM OF NOTE**

R-__

ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF HAS AN INTEREST HEREIN. THIS NOTE IS NON-NEGOTIABLE AND THE OWNER HEREOF HAS THE RIGHT TO SELL OR TRANSFER THE NOTE OR TO OTHERWISE DIRECTLY OR INDIRECTLY TRANSFER OR ASSIGN ANY INTEREST IN THE NOTE ONLY TO THE EXTENT PERMITTED BY THE NOTE PURCHASE AGREEMENT.

**CITY OF UKIAH
2026-27 Tax and Revenue Anticipation Note**

INTEREST RATE	DATED DATE	MATURITY DATE
As set forth in the Note Purchase Agreement	July 1, 2026	June 30, 2027

REGISTERED OWNER: COLUMBIA BANK (including its successors and assigns)

PRINCIPAL AMOUNT: UP TO \$10,000,000 TO BE OUTSTANDING AT ANY TIME AND NOT TO EXCEED THE MAXIMUM AMOUNT (AS DEFINED HEREIN)

FOR VALUE RECEIVED, the City of Ukiah, California ("City") acknowledges itself indebted to and promises to pay to the Registered Owner hereof (together with any of its successors and assigns as permitted under the Note Purchase Agreement (defined below), the "Bank"), at the office of the City, the principal sum stated above, in lawful money of the United States of America, on the dates and in the amounts, together with interest on the principal amount outstanding hereunder from time to time, calculated upon the amount of principal outstanding for each Interest Period (as such term is defined in the Note Purchase Agreement) at the rate or rates per annum set forth above and computed on the basis set forth in that certain Note Purchase Agreement (the "Note Purchase Agreement") by and between the City and the Bank dated as of July 1, 2026 in like lawful money from the date hereof until payment in full of said principal sum. Interest hereon shall be payable to the Registered Owner at the address shown on the registration books of the City; provided that the address may be changed pursuant to the terms of the Note Purchase Agreement, and at such other times as may be required under the Note Purchase Agreement. The principal of and interest at maturity on this Note shall be payable only to the Registered Owner and in the manner provided in the Note Purchase Agreement. This Note is subject to a default rate upon the occurrence of an Event of Default, as

provided in the Note Purchase Agreement. Upon payment in full of this Note, this Note shall be surrendered for cancellation.

It is hereby certified, recited and declared that this Note is entitled “City of Ukiah 2026-27 Tax and Revenue Anticipation Note” (the “Note”), and is authorized and issued under and pursuant to the authority of Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Government Code of the State of California and in accordance with Resolution No. 2026-[] adopted by the City Council of the City on June 3, 2026 (together with the Note Purchase Agreement appended thereto, the “Resolution”), and that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed in regular and due time, form and manner as required by law, and that this Note, together with all other indebtedness and obligations of the City does not exceed any limit prescribed by the Constitution or laws of the State of California. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

The Note is subject to optional and mandatory prepayment prior to the maturity date thereof, in accordance with the terms of the Note Purchase Agreement. Amounts repaid under this Note may be reborrowed in an amount not to exceed \$10,000,000 at any time pursuant to the terms of the Note Purchase Agreement; provided, however, that such additional principal amount, when added to the interest payable thereon and to all previous principal amounts borrowed under the Note, does not exceed eighty-five percent (85%) of the estimated amount of the estimated uncollected taxes, income, revenue, cash receipts and other moneys of the City anticipated to be received for or accrued to the General Fund during Fiscal Year 2026-27 that will be available for the payment of the interest on and the principal of the Note (such amount, the “Maximum Amount”).

Pursuant to the Resolution, the City has pledged all Revenues to the payment of the principal of and interest on the Note. The Note shall be equally and ratably secured by the Pledged Revenues. The Note is a general obligation of the City and is payable from the Pledged Revenues and the income derived from the investment of moneys held in the accounts as provided in the Resolution. The principal of the Note and the interest thereon shall constitute a first lien and charge on such Pledged Revenues, and shall be payable therefrom, and to the extent not so paid from any other moneys of the City lawfully available therefor.

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the [Director of Finance] [City Manager] of the City, or their designee.

IN WITNESS WHEREOF, the City of Ukiah has caused this Note to be executed by the manual or facsimile signature of its [Director of Finance][City Manager] and countersigned by the manual or facsimile signature of the City Clerk, all as of the [first day of July 2026].

CITY OF UKIAH

By: _____
Its: [Director of Finance][City Manager]

Countersigned:

By: _____
Its: City Clerk

CERTIFICATE OF AUTHENTICATION

This Note is the City of Ukiah, California 2026-27 Tax and Revenue Anticipation Note described in the within mentioned Resolution.

Date of Authentication: _____, 2026

[Authorized Representative]

**TRANSACTION ON
2026-27 Tax and Revenue Anticipation Note**

	NOTE	REMAINING		AMOUNT OF	DATE TO	
	PORTION	MAXIMUM		PRINCIPAL	WHICH	NOTATION
DATE	AMOUNT	AMOUNT	INTEREST RATE	PAID	INTEREST PAID	MADE BY

EXHIBIT B
FORM OF NOTE PURCHASE AGREEMENT

[TO BE ATTACHED]

EXHIBIT C**GOOD FAITH ESTIMATES**

The good faith estimates set forth herein are provided with respect to the Note authorized by this Resolution. Such good faith estimates have been provided to the City by Columbia Bank.

Estimated Principal Amount. Columbia Bank has informed the City that, based on the City's financing plan and current market conditions, the good faith estimate of the aggregate principal amount of the Note is \$10,000,000 (the "Estimated Principal Amount").

True Interest Cost. Columbia Bank has informed the City that the good faith estimate of the true interest cost of the Note, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Note, is [5.830]%.

Finance Charge. Columbia Bank has informed the City that the good faith estimate of the finance charge for the Note, which means the sum of all fees and charges paid to third parties for costs in connection with the issuance and sale of the Note (the "Finance Charge"), is \$12,500. The City has stated that all costs of issuance will be paid from ~~funds on hand and not from~~ proceeds of the Note.

Amount of Proceeds to be Received. Columbia Bank has informed the City that the good faith estimate of the amount of proceeds of the Note expected to be received by the City, less the Finance Charge, and any reserves or capitalized interest paid or funded with proceeds of the Note, is ~~\$[9,987,500]~~.

Total Payment Amount. Columbia Bank has informed the City that the good faith estimate of the total payment amount, which means the sum total of all principal and interest payments made for the Note, plus the Finance Charge, not paid with proceeds of the financing, calculated to the final maturity of the Note, is ~~\$[10,583,000]~~, assuming a \$10,000,000 draw on the closing date.

The foregoing estimates constitute good faith estimates only. The estimates above may differ from the actual amounts due to (a) the actual dated date of the Note being different from the date assumed for purposes of such estimates, (b) the actual aggregate principal amount of the Note being different from the Estimated Principal Amount, (c) the actual interest rate on the Note, (d) the actual amortization of the debt service on the Note being different from the amortization assumed for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual dated date of the Note and the actual aggregate principal amount of the Note will be determined by the City based on market conditions and other factors.

Summary report: Litera Compare for Word 11.10.0.38 Document comparison done on 5/28/2026 5:03:49 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: nd://4896-3938-2681/2/Ukiah 2026-27 TRAN Authorizing Resolution.docx	
Modified DMS: nd://4896-3938-2681/3/Ukiah 2026-27 TRAN Authorizing Resolution.docx	
Changes:	
<u>Add</u>	6
Delete	11
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	17

NOTE PURCHASE AGREEMENT

by and between

CITY OF UKIAH, CALIFORNIA

and

COLUMBIA BANK

City of Ukiah, California
2026-27 Tax and Revenue Anticipation Note

Dated as of July 1, 2026

Table of Contents

	Page
ARTICLE I DEFINITIONS	1
Section 1.01 Definitions	1
Section 1.02 Construction	5
ARTICLE II NOTES	6
Section 2.01 Initial Note Portion; Commitment to Purchase Note Portions	6
Section 2.02 Purchase Notice	6
Section 2.03 No Note Rating; DTC; CUSIP	6
Section 2.04 Note	7
Section 2.05 Interest	7
Section 2.06 Alternative Rates	7
Section 2.07 Illegality	8
Section 2.08 Increased Costs	8
Section 2.09 Compensation	10
Section 2.10 Voluntary Termination of Unutilized Commitment	11
Section 2.11 Prepayments	11
Section 2.12 Security Interest	11
Section 2.13 Method and Place of Payment	11
Section 2.14 Net Payment	11
Section 2.15 Transfers of the Note	12
Section 2.16 Bank Records	12
ARTICLE III CONDITIONS PRECEDENT	12
Section 3.01 Conditions to the Bank's Entering Into Agreement	12
Section 3.02 Conditions to Purchase	13
ARTICLE IV REPRESENTATIONS OF THE CITY	14
Section 4.01 Valid Existence	14
Section 4.02 Authorization and Validity	14
Section 4.03 Compliance with Laws and Contracts	15
Section 4.04 Litigation	15
Section 4.05 No Event of Default	15
Section 4.06 Projections and Budget Material	15
Section 4.07 Accurate and Complete Disclosure	15
Section 4.08 Regulatory Approvals	15
Section 4.09 Prospective Change in Law	16
Section 4.10 Sovereign Immunity	16
Section 4.11 Priority of Pledge	16
Section 4.12 Resolution	16
Section 4.13 Reserved	16
Section 4.14 Note	16
Section 4.15 Usury	16
ARTICLE V COVENANTS OF THE CITY	16
Section 5.01 Notice of Default	16
Section 5.02 Compliance With Laws	16

Table of Contents (continued)

	Page
Section 5.03 Resolution.....	17
Section 5.04 No Impairment.....	17
Section 5.05 Budgets; Financial Statements; Reports, Certificates and Other Information.....	17
Section 5.06 Inspection Rights.....	18
Section 5.07 Use of Proceeds.....	18
Section 5.08 Existence.....	18
Section 5.09 Indebtedness and Liens.....	18
Section 5.10 Assignments.....	18
Section 5.11 Sanctions Concerns and Anti-Corruption Laws.....	18
Section 5.12 Further Assurances.....	19
Section 5.13 Certain Information.....	19
Section 5.14 Accuracy of Information.....	19
Section 5.15 No Immunity.....	19
Section 5.16 Deposit Relationship.....	19
ARTICLE VI EVENTS OF DEFAULT; REMEDIES.....	20
Section 6.01 Events of Default.....	20
Section 6.02 Remedies.....	21
Section 6.03 No Waiver; Cumulative Remedies.....	21
ARTICLE VII MISCELLANEOUS.....	22
Section 7.01 Amendments.....	22
Section 7.02 Assignments.....	22
Section 7.03 Governing Law; Waiver of Jury Trial; Waiver of Special Damages; Sovereign Immunity.....	22
Section 7.04 Severability.....	23
Section 7.05 Counterparts.....	23
Section 7.06 Expenses.....	23
Section 7.07 Indemnification.....	23
Section 7.08 Term of the Agreement.....	25
Section 7.09 Notice.....	25
Section 7.10 Holidays.....	25
Section 7.11 Survival.....	25
Section 7.12 USA PATRIOT ACT NOTIFICATION.....	26
Section 7.13 No Advisory or Fiduciary Relationship.....	26
Section 7.14 No Liability.....	26
EXHIBIT A – FORM OF PURCHASE NOTICE.....	A-1
EXHIBIT B – LIST OF INFORMATION PROVIDED BY THE CITY TO COLUMBIA BANK PURSUANT TO SECTION 4.07.....	B-1

This NOTE PURCHASE AGREEMENT, dated as of July 1, 2026, is entered into by and between the CITY OF UKIAH, CALIFORNIA, a general law municipal corporation existing under and by virtue of the laws of the State of California (the “City”), and COLUMBIA BANK, an Oregon corporation and state chartered bank authorized to conduct banking in the State of California (as successor in name to Umpqua Bank and including its successors and assigns, the “Bank”).

W I T N E S S E T H:

WHEREAS, the City desires to sell its City of Ukiah, California 2026-27 Tax and Revenue Anticipation Note (together with the portions thereof, the “Note”) in anticipation of its receipt of Revenues (as defined herein) in order to support its cash flow needs; and

WHEREAS, the Bank is willing, on the terms and conditions contained herein, to purchase the Note as further described herein from the City; and

NOW, THEREFORE, in consideration of the respective agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. The following terms have the meanings indicated below or in the referenced Section of this Agreement, unless the context shall clearly indicate otherwise:

“Agreement” means this Note Purchase Agreement, as amended, modified and supplemented from time to time.

“Applicable Lending Office” means, in the case of any Note Portion, the office of the Bank at which the Note is carried on the books and records of the Bank as set forth in Section 7.09 herein.

“Authorized Representative” means any of the following officers of the City: the City Manager, the Director of Finance, or any of their designees, or any individual designated in writing to the Bank by the City Manager as an Authorized Representative.

“Authorizing Law” means California Government Code Sections 53850 to 53858 (inclusive).

“Bank” has the meaning assigned to that term in the introductory paragraph of this Agreement.

“Borrowing Availability” means, at any time, the Maximum Amount, *minus* the aggregate principal amount of outstanding Note Portions hereunder.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in San Francisco, California are authorized or required by law to remain closed.

“Change in Law” means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement, or (c) compliance by the Bank (or by the Applicable Lending Office of the Bank) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith, and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“City Council” means the City Council of the City.

“Commitment Termination Date” means June 29, 2026, unless terminated earlier as provided herein.

“Default” means the occurrence of any event or the existence of any circumstances that, with the passage of time, the giving of notice, or both, would become an Event of Default.

“Default Rate” means the Interest Rate plus 3.00% per annum as more particularly described in Section 2.05(b) hereof.

“Designated Jurisdiction” means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

“Dollars” and “\$” means the lawful currency of the United States of America.

“Effective Date” means July 1, 2026.

“Event of Default” has the meaning assigned to that term in Section 6.01 hereof.

“Excluded Taxes” means Taxes on the Bank’s overall net income, franchise Taxes, and branch profits Taxes, in each case imposed by the jurisdiction (or a political subdivision thereof) under the laws of which it is organized or in which an applicable office is located.

“Federal Funds Rate” means, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a business day, for the next preceding business day) by the Federal Reserve Bank of New York or, if such rate is not so published for any day which is a business day, the average of the quotations for such day on such

transactions received by the Bank from three federal funds brokers of recognized standing selected by it.

“Fiscal Year” means each twelve-month period commencing on July 1 and ending on June 30.

“General Fund” means the fund of the City into which Revenues are received and/or deposited.

“Governmental Authority” means the government of the United States of America, or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Grant” means an award of funds to the City in furtherance of a public purpose, which is paid from monies deposited in the treasury of the City, and which is not required to be repaid except upon default by the City, including, but not limited to, amounts received in connection with the City’s Recycled Water Project, Phase IV.

“Indebtedness” means, without duplication, (a) all indebtedness (including principal and interest) of the City for borrowed money or for the deferred purchase price of property; (b) all liabilities secured by any Lien on any property owned by the City, whether or not such liabilities have been assumed by the City; (c) the aggregate amount required to be capitalized under leases under which the City is the lessee; and (d) all Contingent Obligations of the City. As used in this definition, the term “Contingent Obligation” means, as to the City, any obligation of the City guaranteeing or intended to guarantee any Indebtedness, leases, dividends or other obligations (“primary obligations”) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly including, without limitation, any obligation of the City, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (x) for the purchase or payment of any such primary obligation or (y) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the holder of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the holder of such primary obligation against loss in respect thereof; provided, however, that the term Contingent Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming the City is required to perform thereunder) as determined by the City in good faith.

“Indemnified Taxes” means Taxes imposed on or with respect to any payment made by or on account of any obligation of the Bank under any Related Document, other than Excluded Taxes and Other Taxes.

“Indemnatee” has the meaning assigned to that term in Section 7.07(a) hereof.

“Interest Invoice” has the meaning assigned to that term in Section 2.05(b) hereof.

“Initial Note Portion” means \$0 purchased on the Effective Date as described in Section 2.01(a) hereof.

“Interest Payment Date” means the first Business Day of each month, and date that any Note Portion is prepaid hereunder.

“Interest Period” means, with respect to any Note Portion, the period from and including the related Note Portion Date to but not including the first calendar day of the immediately succeeding month and, thereafter, the period from including the first day of each calendar month to and including the last day of such calendar month or, if earlier, to but not including the applicable Maturity Date.

“Interest Rate” means, with respect to any Note Portion, the sum of (a) the Federal Funds Rate, plus (b) 1.50%; provided however, that no time shall the Interest Rate be less than 4.00%; provided further however that at no time shall the Interest Rate paid hereunder exceed 10.0%.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement).

“Margin Stock” has the meaning provided in Regulation U of the Board of Governors of the Federal Reserve System.

“Maturity Date” means June 30, 2027, unless such date occurs earlier as provided herein.

“Maximum Amount” means, on any date, an amount equal to \$10,000,000, subject to the provisions of Section 2.01(c) hereof.

“Note” means the City of Ukiah, California 2026-27 Tax and Revenue Anticipation Note, as further described in Section 2.04 hereof.

“Note Portion” means an undivided beneficial interest in the Note and includes the Initial Note Portion.

“Notice” or “notice” means any form of written communication or a communication by means of electronic mail, facsimile device, telegraph or cable and confirmed telephonically.

“Notice Office” means the office of the Bank as set forth in Section 7.09 herein, or such other office or mail code as the Bank may hereafter designate in writing as such to the City. Any Notice of a change in the Notice Office shall become effective on the fifth calendar day after the delivery of Notice thereof to the City.

“Obligations” means all amounts owing to the Bank pursuant to the terms of this Agreement and the Note.

“OFAC” means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Related Document.

“Overadvance” means the amount by which the aggregate principal amount of all Note Portions then outstanding exceeds the Borrowing Availability.

“Payment Office” means the office of the Bank as set forth in Section 7.09 herein, or such other office or account as the Bank may hereafter designate in writing as such to the City. Any Notice of a change in the Payment Office shall become effective on the fifth calendar day after the delivery of Notice thereof to the City.

“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or organization, including a government or a political subdivision or an agency or instrumentality thereof.

“Pledged Revenues” has the meaning assigned to that term in Section ~~2.10~~ 2.12 hereof.

“Purchase Date” means, (a) with respect to the Initial Note Portion, the Effective Date, and (b) with respect to future Note Portions, the date, which shall be a Business Day, on which the Bank is required to purchase such Note Portion as set forth in the applicable Purchase Notice.

“Purchase Notice” has the meaning assigned to that term in Section 2.02 hereof.

“Rate Adjustment Date” means the first day of each month.

“Related Documents” means the Note and the Resolution.

“Resolution” means Resolution No. 2026-[___] adopted by the City Council of the City on June 3, 2026, as amended, modified and supplemented from time to time.

“Revenues” means all legally available taxes, income, revenue, cash receipts, and other moneys of the City attributable to the City’s Fiscal Year 2026-27. “Revenues” shall include amounts received and collected by the City from Grants.

“Sanction(s)” means any international economic sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, His Majesty’s Treasury or other relevant sanctions authority.

“Section 5.05 Documents” means the documents required by Section 5.05 hereof.

“SOFR” means the secured overnight financing rate which is published by the Board of Governors of the Federal Reserve System and available at www.newyorkfed.org.

“State” means the State of California.

“Taxes” has the meaning assigned to that term in Section ~~2.13~~2.14 hereof.

“Unutilized Commitment” means, on the Effective Date, \$10,000,000, and, thereafter at any time, means \$10,000,000 less the aggregate principal amount of all Note Portions purchased by the Bank.

Section 1.02 Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes,” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein,” “hereof,” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections and Exhibits shall be construed to refer to Articles and Sections of, and Exhibits to, this Agreement.

ARTICLE II NOTES

Section 2.01 Initial Note Portion; Commitment to Purchase Note Portions.

(a) On the basis of the representations, warranties and covenants contained herein, but subject to the terms and conditions herein set forth, the Bank hereby agrees to purchase from the City, and the City hereby agrees to sell to the Bank Note Portions from time to time on a revolving basis up to the Borrowing Availability at a purchase price of 100% of the principal amount thereof. The initial Note Portion (the “Initial Note Portion”) purchased by the Bank hereunder is \$0. The wiring instructions to the Bank for the purposes of wiring the proceeds of each Note portion to the City are to be set forth in each Purchase Notice (as defined below).

(b) Subject to and upon the terms and conditions set forth herein, including but not limited to, the provisions of Section 2.11(a) hereof, the Bank agrees, at any time and from time to time prior to the Commitment Termination Date at the written request of the City, to purchase additional Note Portions issued by the City in any aggregate principal amount, provided such principal amount may not exceed the Unutilized Commitment at such time.

(c) Within the limits of this Section 2.01, the City may borrow, repay pursuant to Section 2.11 hereof and reborrow under this Section 2.01(c) provided that the maximum amount

that may be outstanding at any time hereunder is \$10,000,000 and the aggregate amount of Note Portions ever issued hereunder, when added to the interest payable thereon, shall never exceed eighty-five percent (85%) of the estimated amount of the estimated uncollected taxes, income, revenue, cash receipts and other moneys of the City anticipated to be received for or accrued to the General Fund during Fiscal Year 2026-27 that will be available for the payment of the interest on and the principal of the Note. Upon any prepayment of the related Note Portion, the Borrowing Availability shall be reinstated as set forth in the definition thereof.

Section 2.02 Purchase Notice.

(a) Whenever the City desires for the Bank to purchase a Note Portion hereunder, it shall give the Bank at its Notice Office prior written notice of such purchase no later than five (5) days preceding the applicable Purchase Date. Each such notice (each a “Purchase Notice”) shall be in the form of Exhibit A attached hereto, appropriately completed to specify the aggregate principal amount of the Note Portion to be purchased and the applicable Purchase Date (which shall be a Business Day).

(b) No later than 12:00 p.m. California time on the applicable Purchase Date, so long as the conditions precedent to such purchase as set forth in Section 3.02 are satisfied at such time on such date, the Bank will make available to the order of the City the principal amount of the Note Portion in Dollars and in immediately available funds.

Section 2.03 No Note Rating; DTC; CUSIP. So long as the Bank owns the Note, such Note shall not be (i) assigned a separate rating by any rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) offered pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor’s CUSIP Service

Section 2.04 Note. The City’s obligation to pay the principal of, and interest on, the Note Portions purchased by the Bank shall be evidenced by a City of Ukiah, California 2026-27 Tax and Revenue Anticipation Note in the form of a note duly executed and delivered by the City substantially in the form attached to the Resolution appropriately completed in conformity herewith (as the same may be amended from time to time, the “Note”). The Note shall (i) be registered in the name of the Bank and be dated the Effective Date; (ii) be in a principal amount equal to an amount not to exceed \$10,000,000 (subject to the provisions Section 2.01(c) hereof) and be payable in the principal amount of the Note Portions evidenced thereby, including the Initial Note Portion; (iii) mature, with respect to each Note Portion evidenced thereby, on June 30, 2027; (iv) bear interest at the Interest Rate; and (v) be entitled to the benefits of this Agreement and the Resolution. The Bank will note on the principal log attached to the Note the amount of each Note Portion purchased by the Bank and each principal payment in respect thereof. Failure to make any such notation shall not affect the City’s obligations in respect of the Note Portions.

Section 2.05 Interest. The City agrees to accrue and pay interest in respect of the unpaid principal amount of the Note as follows:

(a) The City agrees to accrue interest in respect of the unpaid principal amount of each Note Portion from the date the proceeds thereof are made available to the City until the earliest of (i) the date such Note Portion is paid in full, or (ii) the Maturity Date, in each case, at a rate per annum which shall be equal to the Interest Rate.

(b) Overdue principal and, to the extent permitted by law, overdue interest in respect of each Note Portion shall bear interest at a rate equal to 3.00% per annum in excess of the Interest Rate for such Note Portion (the “Default Rate”).

(c) Interest shall be payable (i) on each Interest Payment Date for the interest accrued on the Note from and including the preceding Interest Payment Date to but excluding such Interest Payment Date as set forth in an invoice of the Bank (each an “Interest Invoice”) delivered to the City no later than three (3) Business Days prior to such Interest Payment Date; provided that failure of delivery of an Interest Invoice shall not affect the City’s obligations in respect of such interest; provided further that to the extent that the interest set forth in an Interest Invoice is either below or above the actual interest amount, the difference shall be either credited or debited in the next succeeding Interest Invoice and, in the case of a deficiency, as long as the City pays such interest pursuant to the provisions of the following paragraph, such interest shall not be considered overdue; and (ii) in respect of each Note Portion, on any prepayment (on the amount prepaid), on the Maturity Date and, after the Maturity Date, on demand.

(d) All computations of interest shall be made on a 30/360 basis.

Section 2.06 Alternative Rates. If the Bank has reasonably determined that (i) the administrator of the Federal Funds Rate, or any relevant agency or authority for such administrator of the Federal Funds Rate (or any substitute index which replaces the Federal Funds Rate (the Federal Funds Rate or such replacement, the “Benchmark”)), has announced that such Benchmark will no longer be provided, (ii) any relevant agency or authority has announced that such Benchmark is no longer representative, or (iii) any similar circumstance exists such that such Benchmark has become permanently unavailable or ceased to exist, the Bank will (x) replace such Benchmark with a replacement rate or (y) if any such circumstance applies to fewer than all tenors of such Benchmark used for determining an interest period hereunder, discontinue the availability of the affected interest periods. In the case of the Federal Funds Rate, such replacement rate will be SOFR. In the case of the replacement of a rate other than the Federal Funds Rate, the Bank may add a spread adjustment reasonably selected by the Bank, taking into consideration any selection or recommendation of a replacement rate by any relevant agency or authority, and evolving or prevailing market practice. In connection with the selection and implementation of any such replacement rate, the Bank may make any technical, administrative or operational changes that the Bank decides, in its reasonable opinion, may be appropriate to reflect the adoption and implementation of such replacement rate. The Bank’s internal records of applicable interest rates shall be determinative in the absence of manifest error.

Section 2.07 Illegality. If the Bank determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Bank to make, maintain or fund Advances whose interest is determined by reference to the Federal Funds Rate, or to determine or charge interest rates based upon the Federal Funds Rate, then, on notice thereof by the Bank to City, any obligation of the Bank to purchase make or continue Advances with

reference to the Federal Funds Rate shall be suspended until the Bank notifies City that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, City shall, upon demand from the Bank convert the interest on all Advances to Advances that bear interest at the Alternate Rate, either on the last day of the Interest Period therefor in the case of Advances, if the Bank may lawfully continue to maintain such Advances to such day, and if the Bank may not lawfully continue to maintain Advances through the last day of the Interest Period therefor, then immediately upon demand. Upon any such conversion, City shall also pay accrued interest on the amount so converted on the date of such conversion

Section 2.08 Increased Costs. (a) If, on or after the Closing Date, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive, or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof including, notwithstanding the foregoing, all requests, rules, guidelines or directives in connection with Dodd-Frank Wall Street Reform and Consumer Protection Act, or promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) pursuant to Basel III or any successor Basel accord regardless of the date enacted, adopted or issued, or compliance by the Bank with any request or directive of any such authority, central bank or comparable agency:

(i) subjects the Bank to any Taxes, or changes the basis of taxation of payments (other than with respect to Excluded Taxes) to the Bank hereunder or with respect to the Note; or

(ii) imposes or increases or deems applicable any reserve, assessment, compulsory loan, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by the Bank; or

(iii) imposes any other condition on the Bank the result of which is to increase the cost to the Bank with respect to this Agreement, the Note or its making, maintenance or funding of the loans or any security therefor, or reduces any amount receivable by the Bank with respect to this Agreement, the Note, or the making, maintenance or funding of any loan, or requires the Bank to make any payment calculated by reference to any amount received with respect to this Agreement, the Note, or the making, maintenance or funding of any loan, by an amount deemed material by the Bank;

and the result of any of the foregoing is to increase the cost to the Bank with respect to this Agreement, the Note, or the making, maintenance or funding of the loans or to reduce the return received by the Bank in connection with the same, then, to the extent permitted by law, within thirty (30) days of demand by the Bank, City shall pay the Bank such additional amount or amounts as will compensate the Bank for such increased cost or reduction in amount received thereafter.

(b) If the Bank determines the amount of capital or liquidity required or expected to be maintained by the Bank or any corporation controlling the Bank is increased as a result of a Change, then, within thirty (30) days of demand by the Bank, City shall, to the extent

permitted by law, pay the Bank the amount necessary to compensate for any shortfall in the future rate of return on the portion of such increased capital or liquidity which the Bank determines is attributable to this Agreement or the Note, as the case may be, hereunder (after taking into account the Bank's policies as to capital adequacy) during the remaining term of the Agreement.

(c) In connection with any costs imposed upon City by the Bank pursuant to this Section, the Bank shall (i) promptly notify City of such costs and (ii) provide City with a certificate as to such increased cost, increased capital or reduction in return incurred by the Bank as a result of any event mentioned in clause (a) or (b) of this Section 2.08 setting forth, in reasonable detail, the basis for such calculation and the amount of such calculation submitted by the Bank to City which calculation shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by the above referenced certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank in good faith determines to be appropriate.

(d) Any and all payment obligations of City under this Agreement or the Note shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law requires the deduction or withholding of any Tax from any such payment, then City shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax or Other Tax, then the sum payable by City shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under Section 2.08(c) hereof) the Bank receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(e) The Bank shall timely pay to the relevant Governmental Authority in accordance with applicable law or at the option of the Bank timely reimburse it for the payment of, any Other Taxes.

(f) To the extent permitted by law, City shall indemnify the Bank, within thirty (30) days after demand therefor, for the full amount of any Indemnified Taxes and Other Taxes (including Indemnified Taxes and Other Taxes attributable to amounts payable under Section 2.08(c) hereof) payable or paid by such Bank or required to be withheld or deducted from a payment to the Bank and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes and Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to City by the Bank shall be conclusive absent manifest error.

(g) As soon as practicable after any payment of Taxes by City to a Governmental Authority pursuant to this Section 2.08(g), the City shall deliver to the Bank the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Bank.

(h) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.08 (including by the payment of additional amounts pursuant to Section 2.08(c) hereof), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.08 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph (h) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 2.09 Compensation. The City shall compensate the Bank, upon its written request (which request shall set forth the basis for requesting such compensation and shall, absent manifest error, be final and conclusive and binding on all the parties hereto), for all reasonable losses, expenses and liabilities (including, without limitation, any loss, expense or liability incurred by reason of the liquidation or reemployment of deposits or other funds required by the Bank to fund its Note Portions) which the Bank may sustain (i) if for any reason (other than a default by the Bank) a purchase of a Note Portion does not occur on a date specified therefor in a Purchase Notice (whether or not withdrawn by the City), or (ii) as a consequence of any other default by the City to pay the principal of and interest on the Note Portions when required by the terms of this Agreement and the Note.

Section 2.10 Voluntary Termination of Unutilized Commitment. Upon at least five (5) Business Days' prior notice to the Bank at its Notice Office, the City shall have the right, without premium or penalty, to terminate the Unutilized Commitment in whole or in part, in integral multiples of \$100,000.

Section 2.11 Prepayments. (a) The City shall have the right to prepay any Note Portion, without premium or penalty, in whole or in part from time to time on any day; provided however, that if such date is not a Business Day, then such prepayment shall occur on the next succeeding Business Day; provided further however, that prior to any prepayment, the City shall provide notice to the Bank at least five (5) Business Days prior to such prepayment date. With respect to each prepayment of the Note pursuant to this Section 2.11, (i) the City shall designate the Note Portions which are to be prepaid and the specific draw dates applicable thereto and the amount or amounts to be prepaid, and (ii) each prepayment shall be in any amount, as determined by the City.

(b) Overadvances. In the event that any calculation of the Borrowing Availability hereunder results in an Overadvance, the City shall, within ten (10) days to repay to the Bank any Overadvance. Overadvances constitute Obligations that are evidenced by the Note and entitled to all of the benefits of the Resolution and the Resolution.

Section 2.12 Security Interest. Pursuant to the Resolution, the City has pledged all Revenues (collectively, the “Pledged Revenues”) to the payment of the principal of and interest on the Note. The pledge is valid and binding in accordance with the terms of the Resolution, and the Pledged Revenues shall immediately be subject to the pledge, and the pledge shall constitute a first lien and security interest which shall immediately attach to the Pledged Revenues and be effective, binding, and enforceable against the City, its successors, creditors, and all others asserting the rights therein, to the extent set forth, and in accordance with, the Resolution irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing, or further act.

Section 2.13 Method and Place of Payment. All payments under this Agreement or the Note shall be made to the Bank not later than 12:00 Noon (California time) on the date when due and shall be made in Dollars in immediately available funds at the Payment Office. Whenever any payment to be made hereunder or under the Note shall be stated to be due on a day which is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable at the applicable rate during such extension.

Section 2.14 Net Payment. All payments made by the City hereunder or under the Note will be made without setoff, counterclaim or other defense. All such payments will be made free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein (but excluding any tax imposed on or measured by the net income of the Bank pursuant to the laws of the jurisdiction (or any political subdivision or taxing authority thereof or therein) in which the Applicable Lending Office of the Bank is located) and all interest, penalties or similar liabilities with respect thereto (collectively, “Taxes”). If any Taxes are so levied or imposed, the City agrees to pay the full amount of such Taxes and such additional amounts as may be necessary so that every payment of all amounts due hereunder or under the Note, after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein or in the Note. The City will furnish to the Bank, within forty-five (45) days after the date the payment of any Taxes is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the City. To the extent permitted by law, the City hereby agrees to indemnify and hold harmless the Bank, and reimburse the Bank upon its written request, for the amount of any Taxes so levied or imposed and paid by the Bank.

Section 2.15 Transfers of the Note. Unless the City shall otherwise consent in writing, the Bank shall not transfer the Note to any Person; provided, however, that the Bank may assign the Note to a wholly-owned subsidiary of the Bank without prior notice to the City so long as the delivery of payments hereunder remains unaffected.

Section 2.16 Bank Records. All transactions relating to the Unutilized Commitment and the Note Portions including, without limitation, prepayments, repayments, interest charges and reductions and terminations of the Unutilized Commitment and the Note Portions shall be reflected in the books and records of the Bank, which records shall be conclusive and binding upon the City absent manifest error.

ARTICLE III CONDITIONS PRECEDENT

Section 3.01 Conditions to the Bank's Entering Into Agreement. It shall be a condition precedent to the Bank's entering into this Agreement and purchasing the Initial Note Portion that all proceedings taken in connection with the transactions contemplated hereby and all documents incident thereto, including the Related Documents, shall be in form and substance satisfactory to the Bank and that the conditions enumerated in this Section 3.01 have been fulfilled to the satisfaction of the Bank. Delivery by the Bank of fully executed signature pages to this Agreement shall constitute acknowledgment and acceptance by the Bank that all such conditions have been met or waived.

(a) Representations. On the Effective Date, (i) there shall exist no Event of Default or Default; (ii) all representations and warranties made by the City herein or in any of the Related Documents shall be true and correct with the same effect as though such representations and warranties had been made at and as of such time; and (iii) each of the Related Documents to which the City is a party, as amended (if applicable), is in full force and effect and has not been amended, modified or changed.

(b) Documents. On or prior to the Effective Date, the Bank shall have received, in form and substance satisfactory to the Bank, the following:

(i) True and complete executed originals of this Agreement and the Note executed by an Authorized Representative;

(ii) The Resolution certified as of the Effective Date by the ~~Secretary~~City Clerk of the City Council;

(iii) The signature and incumbency certificate, dated the Effective Date, of the signatories of the City executing this Agreement and the Note;

(iv) A certificate of an Authorized Representative dated the Effective Date, confirming that the 2026-27 budget has been approved by the City Council and making the representations set forth in Section 3.01(a) with respect to the City;

(v) Executed copies of the legal opinion of the City Attorney to the City, which shall be in form and substance satisfactory to the Bank;

(vi) A copy of the City's annual comprehensive financial report ("ACFR") for the City's Fiscal Year 2024-25 Fiscal Year;

(vii) If the Fiscal Year 2026-27 budget is changed before the Effective Date, a synopsis of the meeting at which the City Council approved such changes to the annual budget for the City's Fiscal Year 2026-27 certified by an Authorized Representative; and

(viii) Such further documentation, certificates or opinions as the Bank may reasonably request in connection with the matters arising under this Agreement and the Related Documents.

(c) Absence of Material Adverse Change. The Bank shall be satisfied that, on the Effective Date, no material adverse change in or effect upon the financial condition of the City shall have occurred since June 30, 2025 or the City's ability to perform its obligation under this Agreement and the Related Documents. In addition, on or prior to the Effective Date, no change shall have occurred in any law, rule or regulation or in any interpretation thereof that, in the opinion of counsel to the Bank, would make it illegal for the Bank to execute and deliver this Agreement or for the City to execute, deliver and perform under the terms of this Agreement and the Note.

(d) Payment. The City shall have made arrangements for the payment of the fees and expenses of counsel to the Bank as provided in Section 7.06 hereof.

(e) Other Matters. All other legal matters pertaining to the execution and delivery of this Agreement and the Related Documents shall be satisfactory to the Bank, and the Bank shall have received such other statements, certificates, agreements, documents and information with respect to the City and matters contemplated by this Agreement as the Bank may reasonably request.

Section 3.02 Conditions to Purchase. The obligation of the Bank to purchase a Note Portion (other than the Initial Note Portion) on any day is subject to the satisfaction of the following conditions on such date:

(a) Unutilized Commitment. The Unutilized Commitment shall not have expired or been terminated on or prior to such day.

(b) Purchase Notice. The Bank shall have timely received the required Purchase Notice duly completed by an Authorized Representative, with respect to such Note Portion.

(c) No Default; Representations and Warranties. At the time such Note Portion is to be purchased and also after giving effect thereto:

(i) no Default or Event of Default shall have occurred and be continuing;

(ii) except as otherwise provided in clause (iii) hereinbelow, all representations and warranties contained herein shall be true, correct and complete in all material respects with the same effect as though such representations and warranties had been made on and as of such date except to the extent a representation or warranty relates specifically to an

earlier date, in which case, such representation and warranty shall have been true and correct as of such earlier date; and

(iii) (1) the City certifies as of the applicable Purchase Date that a true, correct and complete copy of each of the Section 5.05 Documents provided on or prior to such Purchase Date has been furnished to the Bank; (2) the City certifies that the information contained in such Section 5.05 Documents (excluding any budget materials or any projected Revenues included in the statement required by Section 5.05(d)) provided on or prior to such Purchase Date was accurate as of the respective dates of such information; (3) an Authorized Representative represents as of the Purchase Date that, to his or her actual knowledge, without any investigation, the information contained in the Section 5.05 Documents (excluding any budget materials or any projected Revenues included in the statement required by Section 5.05(d)) is complete in all material respects with respect to the Revenues; and (4) the City certifies on each Purchase Date that the amounts borrowed and to be borrowed hereunder, when added to the interest payable thereon, do not exceed eighty-five percent (85%) of the estimated amount of the estimated uncollected taxes, income, revenue, cash receipts and other moneys of the City anticipated to be received for or accrued to the General Fund during Fiscal Year 2026-27 that will be available for the payment of the interest on and the principal of the Note.

ARTICLE IV REPRESENTATIONS OF THE CITY

The City makes the following representations and warranties to the Bank as of the date hereof, the Effective Date and as of each Purchase Date:

Section 4.01 Valid Existence. The City is a general law city duly organized and existing under and by virtue of the laws of the State and has the necessary power and authority to execute and deliver this Agreement and the Related Documents, to perform its obligations hereunder and thereunder.

Section 4.02 Authorization and Validity. The execution, delivery and performance by the City of this Agreement, the Note and the other Related Documents have been duly authorized by proper proceedings of the City, and no further approval, authorization or consents are required by law or otherwise. To the best of the City's knowledge, this Agreement, the Note and the Resolution constitute the legal, valid and binding obligations of the City enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, moratorium and other laws affecting creditors' rights generally and principles of equity and public policy.

Section 4.03 Compliance with Laws and Contracts. Neither the execution and delivery by the City of this Agreement, the Note and the Resolution, nor the consummation of the transactions herein and therein contemplated, nor compliance with the provisions hereof or thereof will (a) violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the City, (b) result in any breach of, or default under the provisions of any material indenture, resolution, instrument or agreement to which the City is a party or is subject,

or by which it or its property is bound, or (c) conflict with or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement.

Section 4.04 Litigation. Other than as has been previously disclosed in writing to the Bank, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending with service of process accomplished or, to the knowledge of the City, threatened against or affecting the City (a) wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated by or the validity of this Agreement, the Note or any of the other Related Documents, or (ii) the City's ability to perform its obligations hereunder or under the Note, or the other Related Documents; or (b) which in any way contests the existence, organization or powers of the City or the titles of the officers of the City to their respective offices.

Section 4.05 No Event of Default. No Event of Default or Default has occurred and is continuing.

Section 4.06 Projections and Budget Material. The City represents that the proposed budget for Fiscal Year 2026-27 in the form considered by the Ukiah City Council at its meeting on June 3, 2026, was prepared on the basis of information and estimates that the City believed on the Effective Date to be reasonable.

Section 4.07 Accurate and Complete Disclosure. The City hereby certifies as of the Effective Date that true, correct and complete copies of the documents listed in Exhibit B have been made available to the Bank. The City also certifies that the information contained in the documents listed in Exhibit B was accurate as of the respective dates of such information. The City hereby certifies that it has not failed to disclose any material information relating to the Revenues of which the City has actual knowledge, without any investigation, where such omission would reasonably be expected to impact the Bank's decision to enter into the Note Purchase Agreement.

Section 4.08 Regulatory Approvals. Each authorization, consent, approval, license or formal exemption from or filing, declaration or registration with, any court, governmental agency or regulatory authority (federal, state or local), required to be obtained by the City in connection with the City's execution and delivery of, and performance under this Agreement, the Note and the other Related Documents has been obtained or made and is in full force and effect.

Section 4.09 Prospective Change in Law. To the knowledge of the City, there is no amendment, or proposed amendment certified for placement on a ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any legislation which has passed either house of the State legislature or is under consideration by any conference or similar committee, or any published judicial decision interpreting any of the foregoing, the effect of which is to invalidate, eliminate or materially reduce the Revenues.

Section 4.10 Sovereign Immunity. Under California law and subject to Section 7.03(d) hereto, the City cannot assert sovereign immunity as a defense to the enforcement of its obligations under this Agreement and the Note.

Section 4.11 Priority of Pledge. The Resolution provides the Bank with a valid pledge of the Pledged Revenues, the priority of which is set forth in the Resolution, and the Bank is not required to take any further action to perfect or maintain this pledge.

Section 4.12 Resolution. The Resolution is in full force and effect. The Resolution has not been amended or supplemented except by such amendments or supplements as have previously been delivered to the Bank.

Section 4.13 Reserved.

Section 4.14 Note. As of the Effective Date, the Note has been duly and validly issued under the Resolution and is entitled to the benefits thereof.

Section 4.15 Usury. The terms of this Agreement, the Note and the other Related Documents regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

ARTICLE V COVENANTS OF THE CITY

During the term of this Agreement, and until the Obligations are paid in full, including full payment of the Note, unless the Bank shall otherwise consent in writing, the City covenants and agrees as follows:

Section 5.01 Notice of Default. As soon as practicable but in any event not more than five (5) Business Days after an Authorized Representative of the City shall have obtained knowledge of the occurrence of an Event of Default or Default provide to the Bank the written statement of an Authorized Representative setting forth the details of each such Event of Default or Default and, to the extent the City has made any determination with respect thereto, the action which the City proposes to take with respect thereto.

Section 5.02 Compliance With Laws. The City shall comply with all laws, rules and regulations, and with all final orders, writs, judgments, injunctions, decrees or awards to which it may be subject; provided, however, that the City may contest the validity or application thereof and appeal or otherwise seek relief therefrom, and exercise any and all of the rights and remedies which it may have with regard thereto, so long as such acts do not affect the City's power and authority to execute and deliver this Agreement, to perform its obligations and pay all amounts payable by it hereunder or under the Note, or to execute and deliver the other Related Documents and to perform its obligations thereunder.

Section 5.03 Resolution. The City agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Resolution, each of which covenants and agreements are, by this reference, incorporated into this Agreement in their entirety together with all defined terms and construction provisions necessary for a correct understanding thereof. The City shall not amend, modify, terminate or grant, or permit the amendment, modification, termination or grant of, any waiver under, or consent to, or permit or suffer to occur any action or omission which results in, or is equivalent to, an amendment, termination, modification, or grant of a waiver under the Resolution which would materially

impair the ability of the City to perform its obligations under this Agreement without the prior written consent of the Bank.

Section 5.04 No Impairment. The City will not knowingly take any action that would materially impair the City's ability to perform its obligations under this Agreement, the Note and the other Related Documents.

Section 5.05 Budgets; Financial Statements; Reports, Certificates and Other Information. The City shall provide or cause to be provided to the Bank copies of:

(a) The Bank acknowledges receipt of a copy of the City's annual budget for the City's Fiscal Year 2026-27, as said budget was adopted by the City Council;

(b) As soon as available, and in any event not later than nine months following the end of the City's fiscal year (based on the City's current fiscal year-end of June 30, the City's ACFR for Fiscal Year ending June 30, 2025 together with an opinion of the independent accountants who conducted the audit of the financial statements of the City contained in the ACFR, which opinion shall contain no qualifications other than qualifications relating to the implementation of rules issued by the Government Accounting Standards Board (the failure to comply with which would not, in the opinion of the Bank in its sole discretion, individually or in the aggregate, have a material impact on any financial statement line item);

(c) Concurrently with the furnishing of the financial statements described under Section 5.05(b) hereof, a certificate signed by an Authorized Representative stating that (i) the City has complied with all of the terms, provisions and conditions of this Agreement and the other Related Documents, (ii) to the best of his/her knowledge, the City has kept, observed, performed and fulfilled each and every covenant, provision and condition of this Agreement and the other Related Documents on the City's part to be performed, and (iii) no Default or Event of Default has occurred or, if such Default or Event of Default has occurred, specifying the nature of such Default or Event of Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Default or Event of Default;

(d) As soon as available and, in any event, within ten (10) Business Days after adoption by the City Council of any changes to the Fiscal Year 2026-27 annual budget for the City, including, but not limited to, all interim budget reports, if any, but only to the extent that such changes relate to Revenues;

(e) Promptly, notice of any action, suit or proceeding known to it at law or in equity or by or before any governmental instrumentality, entity or other agency which, if adversely determined, would materially impair the ability of the City to carry out its obligations under this Agreement, the Note or any other Related Document or any other document, instrument or agreement required hereunder or thereunder, or would materially and adversely affect its assets or financial condition;

(f) Promptly, notice of any matter or event known to the City which may result in a material adverse change in the City's financial condition or operations; and

(g) Promptly, upon the request of the Bank, any additional information reasonably requested by the Bank.

Section 5.06 Inspection Rights. At any reasonable time and from time to time the City shall permit the Bank or any agents or representatives thereof to examine and make copies of the records and books of account related to the Revenues and the transactions contemplated by this Agreement, the Note and the other Related Documents, to visit the City's properties and to discuss its affairs, finances and accounts with any of its officers and independent accountants.

Section 5.07 Use of Proceeds. The City shall use the proceeds of each Note Portion solely for the cash flow needs of the City for Fiscal Year 2026-27. Without limiting the preceding sentence, the City agrees that no part of the proceeds of any Note Portion will be used by the City to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

Section 5.08 Existence. The City shall maintain its legal existence and shall not merge or consolidate with or into any other Person; provided, however, this provision does not prevent the City from annexing all or any portion of another local government entity, participate in a Joint Powers Agreement under the California Joint Exercise of Powers Act (Cal. Gov. Code § 6500 et seq.).

Section 5.09 Indebtedness and Liens. The City shall not create or suffer to exist any Indebtedness secured by a Lien upon, or with respect to, any of the Pledged Revenues, except as permitted pursuant to the Resolution.

Section 5.10 Assignments. The City shall not assign, transfer or otherwise convey any interest in the Pledged Revenues without the prior written consent of the Bank.

Section 5.11 Sanctions Concerns and Anti-Corruption Laws.

(a) Sanctions Concerns. Neither the City, nor, to the knowledge of the City, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

(b) Anti-Corruption Laws. The City has conducted its business in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions, and has instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

Section 5.12 Further Assurances. From time-to-time hereafter, the City will execute and deliver such additional instruments, certificates or documents, and will take all such actions as the Bank may reasonably request for the purposes of implementing or effectuating the

provisions of this Agreement and the Related Documents or for the purpose of more fully perfecting or renewing the Bank's rights with respect to the Pledged Revenues.

Section 5.13 Certain Information. The City shall not include in any amendment or supplement to any offering or disclosure document with respect to any Indebtedness, whether offered publicly or ~~private~~privately, any information concerning the Bank that is not supplied in writing, or otherwise consented to, by the Bank expressly for inclusion therein, other than the Bank's name and a brief description of this Agreement, which may be included in such offering or other document without the Bank's prior written consent.

Section 5.14 Accuracy of Information. The City agrees that it shall provide the Bank with true, correct and complete copies of the Section 5.05 Documents. The City also agrees that the information contained in the Section 5.05 Documents (excluding any budget materials or any projected Revenues included in the statement required by Section 5.05(d)) will be accurate as of the respective dates of such information. The City's Director of Finance agrees that, to his or her actual knowledge, without any investigation, the information contained in the Section 5.05 Documents (excluding any budget materials or any projected Revenues included in the statement required by Section 5.05(d)) will be complete in all material respects with respect to the Revenues.

Section 5.15 No Immunity. The City agrees that under California law and subject to Section 7.03(d) hereto it cannot assert sovereign immunity as a defense to the enforcement of its obligations under this Agreement or the Note.

Section 5.16 Deposit Relationship. The City agrees that no later than 90 days after the closing hereof, it shall establish a new operating account at the Bank, and that it shall transfer \$2,000,000.00 to be held at the Bank; provided, further however, that no later than 180 days after the closing hereof, the City shall transfer an amount such that no less than an average of \$4,500,000 in the aggregate shall be held at the Bank while any amounts are due and owing hereunder; provided, that the Bank provides an earnings credit rate for all analyzed accounts of 1.1% to offset monthly banking services fees as to be set forth in the applicable account control agreement ~~set to~~to be executed upon such transfer. If the City fails to comply with this Section 5.16, the sole remedy of the Bank shall be to charge the City a \$25,000 fee.

ARTICLE VI EVENTS OF DEFAULT; REMEDIES

Section 6.01 Events of Default. Each of the following events shall constitute an "Event of Default" hereunder:

(a) Payments. The City shall default in the payment when due of any principal of or interest on the Note, and, with respect to such interest, such default shall continue unremedied for five (5) or more days.

(b) Representations Untrue. Any representation, warranty, certification or statement made by the City in this Agreement or in the Resolution shall (in any such case) have been incorrect or untrue in any material respect when made or deemed to have been made.

(c) Covenant Defaults.

(i) The City shall default in the due performance on or observance of any term, covenant or agreement contained in Sections 5.01, 5.03, 5.04, 5.08, 5.09, 5.10 and 5.15 of this Agreement.

(ii) The City shall default in the due performance on or observance of any term, covenant or agreement contained in Section 5.05 of this Agreement and such default, if capable of being remedied, shall remain unremedied for thirty (30) days after written notice thereof shall have been given to the City by the Bank.

(iii) The City shall default in the due performance or observance of any material term, covenant or agreement contained herein or incorporated herein (other than those described in Section 5.16 hereof or in other provisions of this Section 6.01) and such default, if capable of being remedied, shall remain unremedied for sixty (60) days after written notice thereof shall have been given to the City by the Bank.

(d) Reserved.(e) Reserved.(f) Invalidity; Repudiation.

(i) Any material provision of this Agreement, the Note, the Authorizing Law or the Resolution is declared to be null and void by a final non-appealable judgment of court of competent jurisdiction; or

(ii) The City, pursuant to official action on the part of its City Council, shall deny that it has any or further liability or obligation under this Agreement, the Note, the Authorizing Law or the Resolution.

(g) Insolvency, Etc. The City shall become insolvent or admit in writing its inability to pay its debts as they mature or shall declare a moratorium on the payment of its debts or apply for, consent to or acquiesce in the appointment of a trustee, custodian, liquidator or receiver for itself or any substantial part of its property, or shall take any action to authorize or effect any of the foregoing; or in the absence of any such application, consent or acquiescence, a trustee, custodian, liquidator or receiver shall be appointed for it or for a substantial part of its property or revenues and shall not be discharged within a period of ninety (90) days; or the State or any other Governmental Authority having jurisdiction over the City imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of or interest on any debt by the City; or any bankruptcy, reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the City (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and if instituted against it, shall be consented to or acquiesced in by it, or shall not be dismissed within a period of ninety (90) days.

(h) Pledge, Etc. The pledge of the Pledged Revenues created by the Resolution shall fail to provide the Bank, as Note holder, with the security interest in the Pledged

Revenues purported to be provided, or the Bank, as Note holder, shall cease to have a valid security interest in the Pledged Revenues.

(i) Resolution Default. The City shall default in the due performance or observance of any material term, covenant or agreement contained in the Resolution and the same shall not have been cured within any applicable cure period.

(j) Certain Unsatisfied Judgments. A judgment or court order for the payment of money in excess of \$1,000,000 shall be rendered against the City that is payable from the City's General Fund, and such judgment or court order shall continue unsatisfied and in effect for a period of sixty (60) consecutive days without being vacated, discharged, satisfied, or stayed or bonded pending appeal.

(k) Cross-Default. The City default pursuant to the provisions of any other loan or debt agreement between it and the Bank.

Section 6.02 Remedies. If any Event of Default shall have occurred and be continuing, the interest on any Note Portion outstanding shall automatically accrue interest at the Default Rate, and the Bank may by Notice to the City take any or all of the following actions, without prejudice to the rights of the Bank to enforce its claims against the City (provided, that, if an Event of Default specified in Section 6.01(g) shall occur, the result which would occur upon the giving of Notice by the Bank to the City as specified in clauses (i) and (ii) below shall occur automatically without the giving of any such Notice): (i) declare the Unutilized Commitment terminated, whereupon the Unutilized Commitment shall forthwith terminate immediately; (ii) declare the principal of and any accrued interest in respect of the Note and all other Obligations owing then Outstanding hereunder to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the City; and/or (iii) exercise any other rights or remedies the Bank may have under the Resolution, at law or in equity.

Section 6.03 No Waiver; Cumulative Remedies. No failure or delay on the part of the Bank in exercising any right, power or privilege hereunder, under the Note or under any other Related Document and no course of dealing between the City and the Bank shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder, under the Note or under any other Related Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein, under the Note or in any other Related Document expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Bank would otherwise have. No notice to or demand on the City in any case shall entitle the City to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Bank to any other or further action in any circumstances without notice or demand.

ARTICLE VII MISCELLANEOUS

Section 7.01 Amendments. No provision of this Agreement may be amended, modified, changed, waived, discharged or terminated orally, unless by an instrument in writing signed by the parties hereto.

Section 7.02 Assignments. (a) This Agreement shall be binding upon and inure to the benefit of the City and the Bank and their respective successors, endorsees and assigns, except that neither party hereto may assign or transfer their respective rights or obligations hereunder without the prior written consent of the other party except as provided in Section 2.14 hereof. The Bank may grant a participation to any financial institution in all or any part of, or any interest (undivided or divided) in, the Bank's rights and benefits under this Agreement, the Note and the other Related Documents and, to the extent of that participation, such participant shall, except as set forth in the following clause (ii), have the same rights and benefits against the City hereunder and the Note as it would have had if such participant were a direct party hereto; provided that (i) no such participation shall affect the obligations of the Bank to purchase Note Portions as herein provided; (ii) the City shall be required to deal only with the Bank with respect to any matters under this Agreement and no such participant shall be entitled to enforce directly against the City any provision hereunder; (iii) no participant shall be entitled to recover amounts hereunder in excess of any amounts to which the Bank is entitled to recover hereunder; and (iv) such participant shall not be any Person registered as an investment company under the Investment Company Act of 1940, as amended.

(b) Notwithstanding the foregoing provisions of this Section 7.02(a), (i) the Bank may assign and pledge all or any portion of the amounts owing to it with respect to the Note to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank; and (ii) any payment in respect of such assigned amounts owed with respect to the Note made by the City to the Bank in accordance with the terms thereof shall satisfy the City's obligations thereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 7.03 Governing Law; Waiver of Jury Trial; Waiver of Special Damages; Sovereign Immunity.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to choice of law doctrine.

(b) The City, to the extent permitted by law, and the Bank (by its acceptance hereof) hereby voluntarily, knowingly, irrevocably and unconditionally waive any right to have a jury participate in resolving any dispute (whether based on contract, tort, or otherwise) between the City and the Bank arising out of or in any way related to this Agreement, the Note and the other related documents. This provision is a material inducement to the Bank to provide the financing evidenced by this Agreement. To the extent such waiver is not enforceable, the District hereby consents to the adjudication of any and all such matters pursuant to Judicial

Reference as provided in Section 638 of the California Code of Civil Procedure, and the judicial referee shall be empowered to hear and determine any and all issues in such Reference whether fact or law.

(c) The City and the Bank mutually waive, to the extent not prohibited by law, any right they may have to claim or recover from the other party in any legal action or proceeding any special, exemplary, punitive or consequential damages.

(d) The Bank hereby recognizes that the procedural requirements applicable to commencing an action against the City differ from requirements applicable to non-governmental entities.

Section 7.04 Severability. If any provision of this Agreement shall be held or deemed to be or shall in fact be illegal, inoperative or unenforceable by a court of competent jurisdiction the same shall not affect any other provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 7.05 Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

Section 7.06 Expenses. The City shall pay the reasonable fees and costs of counsel for the Bank in an amount equal to \$12,500; *provided, however*, that counsel for the Bank shall submit a W-9 and an invoice for payment at least five (5) Business Days prior to the Effective Date. The City shall also pay (a) all reasonable out-of-pocket expenses of the Bank, including reasonable fees and expenses of counsel retained by the Bank in connection with any waiver or consent hereunder or under any Related Documents or any amendment hereof or thereof, and (b) if any Default or Event of Default occurs, all out-of-pocket expenses incurred by the Bank, including the fees and disbursements of counsel and experts retained by the Bank in connection with such Default or Event of Default and collection and other enforcement proceedings resulting therefrom. The City shall also pay the fees associated with the filing of reports with the California Debt and Investment Advisory Commission in connection with the Agreement and Note.

Section 7.07 Indemnification.

(a) To the extent permitted by law, and not the result of the express terms of this Agreement and the parties compliance with those terms, the City agrees to indemnify and hold harmless the Bank and its officers, directors, and employees ~~and their agents~~ (each, an “Indemnitee”) from and against any and all claims, damages, penalties, actions, losses, liabilities, judgments, suits and reasonable costs or expenses (including, without limitation, reasonable attorney’s fees and expenses) whatsoever which an Indemnitee may incur (or which may be claimed against an Indemnitee by any person or entity whatsoever) by reason of or in connection with any action, proceeding or investigation (whether or not the Bank is a party thereto) arising from the entering into and/or performance of this Agreement or any Related Document or the use of the proceeds of the Note or the consummation of any transactions contemplated herein or in any Related Document, including, without limitation, the reasonable fees and disbursements of

counsel incurred in connection with any such action, proceeding or investigation (but excluding any such claims, damages, penalties, actions, losses, liabilities, judgments, suits and reasonable costs or expenses, to the extent incurred by reason of the negligence or willful misconduct of the Indemnitee).

(b) Promptly after receipt by an Indemnitee of notice of the commencement of any action, proceeding or investigation in respect of which indemnity or reimbursement may be sought as provided above (each, an “Indemnified Claim”), such Indemnitee will notify the City in writing of the receipt or commencement thereof, but the failure of an Indemnitee to notify the City with respect to a particular action, proceeding or investigation shall not relieve the City from any obligation or liability which it may have pursuant to this Section 7.07 with respect to such action, proceeding or investigation, or which it may have otherwise than pursuant to this Agreement with respect to any action, proceeding, or investigation.

(c) The City shall be entitled, at its own expense, to participate in and control the defense of any action, proceeding or investigation with counsel reasonably satisfactory to such Indemnitee. Notwithstanding the preceding sentence, an Indemnitee will be entitled to employ counsel separate from counsel for the City and from any other party in such action, proceeding or investigation and to participate in the action, proceeding, or investigation, and the City shall bear the fees and expenses of such separate counsel (and shall pay such fees and expenses as and when incurred), only if either (i) the Indemnitee shall have reasonably concluded that there may be one or more legal defenses available to it which are different from or additional to those available to the City, or (ii) the City shall not have employed counsel reasonably satisfactory to the Indemnitee to represent the Indemnitee within a reasonable time after the City shall have notice of the institution of any such action, proceeding or investigation. Each Indemnitee shall cause its counsel to cooperate with the City in the defense of any action, proceeding or investigation to the extent consistent with its professional responsibilities. The City shall not be liable for the settlement by any Indemnitee of any action, proceeding or investigation effected without its consent, which consent will not be unreasonably or untimely withheld. The City shall not settle or compromise any action, proceeding or investigation, or permit a default or consent to the entry of any judgment with respect thereto, unless such settlement, compromise, default or consent includes, as an unconditional term thereof, the giving by the party other than the City thereto of an unconditional general release to all Indemnites from all liability in respect of such action, proceeding, or investigation.

(d) To the extent permitted by law, the City agrees to indemnify and hold the Bank and its officers, directors, employees and their agents harmless (on a net after-tax basis) from any present or future claim or liability for stamp, transfer, documentary, excise or other similar tax and any penalties or interest with respect thereto, which may be assessed, levied or collected by any jurisdiction in connection with the execution, delivery and performance of, or any payment made under, this Agreement, the Note and the other Related Documents, or any amendment thereto.

Section 7.08 Term of the Agreement. The obligation of the Bank to purchase Note Portions under this Agreement shall terminate on the Commitment Termination Date. Except for

the City's obligations to indemnify the Bank and each Indemnitee, this Agreement shall terminate when all Obligations have been paid in full.

Section 7.09 Notice. Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the City or the Bank shall be deemed to have been sufficiently given or filed for all purposes, if any, when delivered by hand or three (3) Business Days after being sent by registered mail, return receipt requested, postage prepaid, and if given electronically shall be deemed given when transmitted (receipt electronically confirmed by the recipient thereof):

If to the City:

City of Ukiah California
300 Seminary Avenue
Ukiah, CA 95482
Attention: Daniel Buffalo
Phone: 707-463-6220
E-mail: dbuffalo@cityofukiah.com

If to the Bank:

Columbia Bank
2998 Douglas Blvd., Ste 145
Roseville, CA 95611
Attention: Anastasia Efstathiou
Phone: 916-774-3923
Email: AnastasiaEfstathiou@UmpquaBank.com

or to such other address, telephone number or facsimile number as one party hereto shall notify the other party hereto.

Section 7.10 Holidays. Except as otherwise provided herein, whenever any payment or action to be made or taken hereunder shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day, and such extension of time shall be included in computing interest or fees, if any, in connection with such payment or action.

Section 7.11 Survival. All representations, warranties, covenants and agreements of the City contained in this Agreement as amended or supplemented from time to time or made in writing in connection herewith shall survive the execution and delivery hereof shall continue in full force and effect until payment in full of the Obligations, it being understood that the agreements of the City found in Sections 2.07, 2.08, 2.13 and 7.06 hereof shall survive the termination of this Agreement and payment in full of the Obligations.

Section 7.12 USA PATRIOT ACT NOTIFICATION. The following notification is provided to the City pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the City: When the City opens an account, if the City is an individual the Bank will ask for the City's name, taxpayer identification number, residential address, date of birth, and other information that will allow the Bank to identify the City, and if the City is not an individual the Bank will ask for the City's name, taxpayer identification number, business address, and other information that will allow the Bank to identify the City. The Bank may also ask, if the City is an individual to see the City's driver's license or other identifying documents, and if the City is not an individual to see the City's legal organizational documents or other identifying documents.

Section 7.13 No Advisory or Fiduciary Relationship. In connection with all aspects of the transactions contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any Related Document), the City acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) the services regarding this Agreement provided by the Bank and any Affiliate thereof are arm's-length commercial transactions between the City, on the one hand, and the Bank and its Affiliates, on the other hand, (ii) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the Related Documents; (b) (i) the Bank and its Affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the City, or any other Person and (ii) neither the Bank nor any of its Affiliates has any obligation to the City with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (c) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the City, and neither the Bank nor any of its Affiliates has any obligation to disclose any of such interests to the City. To the fullest extent permitted by law, the City, hereby waives and releases any claims that it may have against the Bank or any of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

Section 7.14 No Liability. The City agrees that none of the bank, its officers, directors, employees and their agents shall have any liability or responsibility for the acts or omissions of the City in respect of its use of this agreement or any amounts made available by the bank hereunder. The Bank agrees that none of the City, its officers, Directors, employees and their agents shall have any liability or responsibility for the acts or omissions of the Bank in respect of the performance of the Bank's obligations under this Agreement.

(Signature pages follow)

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Agreement, effective as of the day and year first above written.

CITY OF UKIAH, CALIFORNIA

By: _____
Name: Daniel Buffalo
Title: Director of Finance

*-Signature Page-
Note Purchase Agreement*

COLUMBIA BANK, an Oregon state chartered
bank

By: _____
Name: Anastasia Efstathiou
Title: VP, Relationship Manager

*-Signature Page-
Note Purchase Agreement*

EXHIBIT A**FORM OF
PURCHASE NOTICE**

[insert date]

COLUMBIA BANK,

Attention: Anastasia Efstathiou

Ladies and Gentlemen:

The undersigned, City of Ukiah, California, California (the “City”), refers to the Note Purchase Agreement, dated as of July 1, 2026 (as amended from time to time, the “Agreement”; the terms defined therein being used herein as therein defined), between the undersigned and Columbia Bank (the “Bank”), and hereby gives you notice, irrevocably, pursuant to Section 2.01(b) of the Agreement, that the undersigned hereby desires to sell to the Bank, and requests that the Bank purchase, the Note Portion described below:

- (i) The Purchase Date is _____;
- (ii) The aggregate principal amount of the Note Portion to be purchased is _____;
- (iii) The wire instructions are as follows:

ABA# _____

Account # _____

Account Name: City of Ukiah, California

Name and address of bank:

The City hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Purchase Date before and after giving effect to the purchase and sale of the Note Portion described in this Purchase Notice:

(A) The Unutilized Commitment has not expired or been terminated;

(B) (i) No Default or Event of Default has occurred and is continuing, (ii) except as otherwise provided in clause (iii) hereinbelow, all representations and warranties contained in the Agreement and in the other Related Documents are true, correct and complete in all material respects with the same effect as though such representations and warranties had been made on and as of the date hereof except to the extent a representation or warranty relates specifically to an earlier date, in which case, such representation and warranty shall have been true and correct

as of such earlier date, and (iii) (1) the City certifies as of the Purchase Date that a true, correct and complete copy of each of the Section 5.05 Documents provided on or prior to the Purchase Date has been furnished to the Bank; (2) the City certifies that the information contained in the Section 5.05 Documents (excluding any budget materials or any projected Revenues included in the statement required by Section 5.05(d)) provided on or prior to the Purchase Date was accurate as of the respective dates of such information; (3) an Authorized Representative represents as of the Purchase Date that to his or her actual knowledge, without any investigation, that the information contained in the Section 5.05 Documents (excluding any budget materials or any projected Revenues included in the statement required by Section 5.05(d)) is complete in all material respects with respect to the Revenues; and (4) the City hereby certifies that the amounts borrowed and to be borrowed hereunder, when added to the interest payable thereon, do not exceed eighty-five percent (85%) of the estimated amount of the estimated uncollected taxes, income, revenue, cash receipts and other moneys of the City anticipated to be received for or accrued to the General Fund during Fiscal Year 2026-27 that will be available for the payment of the interest on and the principal of the Note.

Very truly yours,

CITY OF UKIAH, CALIFORNIA

By: _____
 Name: _____
 Title: _____

EXHIBIT B

LIST OF INFORMATION PROVIDED BY THE CITY TO COLUMBIA BANK
PURSUANT TO SECTION 4.07

1. City's ACFR for the Fiscal Year 2024-25.
2. City's Budget for the Fiscal Year 2026-27.

Summary report: Litera Compare for Word 11.10.0.38 Document comparison done on 5/28/2026 5:03:09 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: nd://4914-7071-9641/2/Ukiah 2026-27 TRAN Note Purchase Agreement.docx	
Modified DMS: nd://4914-7071-9641/3/Ukiah 2026-27 TRAN Note Purchase Agreement.docx	
Changes:	
<u>Add</u>	20
Delete	16
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	36



AGENDA SUMMARY REPORT

SUBJECT: Approval of Real Property Purchase Agreement and Lease between the City of Ukiah and the Willow County Water District for the Property Located at 151 Laws Avenue, APN 003-420-47; Authorization for the City Manager to Negotiate and Execute the Agreement and Any Related Documents Necessary to Implement the Transaction; and Approve Corresponding Budget Amendment.

DEPARTMENT: Finance **PREPARED BY:** Dan Buffalo, Finance Director, Jared Walker, Water Resources Director/UVWA General Manager
PRESENTER: Dan Buffalo, Finance Director

ATTACHMENTS:

1. Purchase Agreement with Lease Pending Close of Escrow (clean)
2. Lease Pending Close of EscrowClean

Summary: City Council will consider approving the Real Property Purchase Agreement and Lease (Attachment 1) and the Lease Pending Close of Escrow Agreement (Attachment 2) between the City of Ukiah and the Willow County Water District for the property located at 151 Laws Avenue (APN 003-420-47) in substantial form; direct the City Attorney to finalize the agreements; authorize the City Manager to negotiate and execute the agreements and any related documents necessary to implement the transaction; and approve a corresponding budget amendment.

Background: The Willow County Water District currently owns the office building located at 151 Laws Avenue in Ukiah. The property has been identified as a suitable facility to support public operations, utility administration, and interagency coordination activities associated with the City of Ukiah and the Ukiah Valley Water Authority (UVWA).

The City and the District previously evaluated a lease-purchase installment financing structure under which the City would amortize the acquisition cost over a five-year term through lease payments with a bargain purchase option at the conclusion of the agreement. City Council approved such a financing structure. Following additional discussions, the District determined that it would prefer to proceed with a direct purchase and sale transaction rather than a long-term lease financing arrangement.

As a result, the parties negotiated a revised structure consisting of:

- A Real Property Purchase Agreement establishing the terms and conditions for the ultimate sale and transfer of the property to the City; and
- A temporary Lease Pending Close of Escrow agreement allowing the City to immediately occupy and utilize the property pending completion of escrow and final transfer of title.

Since assuming operational, managerial, and financial responsibilities from Willow County Water District in 2025, City staff has utilized the facility in support of those functions without a formal lease arrangement or rental payments. As the parties now move toward a formalized real property transaction and transfer of ownership, the interim lease arrangement is intended to establish formal occupancy rights, clarify operational responsibilities, and provide valuable consideration to the District during the escrow and transaction

completion period.

An independent appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) determined the fair market value of the property to be approximately \$500,000. The proposed purchase price is based upon the appraised value.

Discussion: Revised Transaction Structure

The proposed transaction differs from the prior lease-purchase arrangement previously presented to Council. Rather than financing the acquisition over a five-year lease amortization schedule, the revised structure contemplates a direct purchase transaction with interim occupancy through a short-term lease arrangement pending close of escrow.

Under the Real Property Purchase Agreement (Attachment 1), the City agrees to purchase the property for \$500,000. The Purchase Agreement requires the City to open escrow within five days of the effective date and deposit \$250,000 toward the purchase price. The remaining \$250,000 balance would be paid at closing, anticipated to occur on or before December 1, 2026, subject to City Council appropriation of the remaining funds and satisfaction of escrow conditions.

The Purchase Agreement also establishes procedures relating to title review, inspections, escrow administration, closing costs, possession, and allocation of responsibilities between the parties. The Purchase Agreement further provides that the City may terminate the transaction during specified due diligence periods if title or inspection conditions are not acceptable.

Lease Pending Close of Escrow

Because the City intends to begin utilizing the facility prior to completion of escrow, the parties have also negotiated the Lease Pending Close of Escrow agreement (Attachment 2). This Lease Agreement allows the City to immediately occupy and utilize the property while escrow and final transaction activities are completed.

The Lease Agreement establishes a monthly lease payment of \$4,257 during the interim occupancy period. The City would be responsible for utilities, maintenance, repairs, insurance, and operational control of the property during the lease term.

The lease remains in effect until escrow closes under the Purchase Agreement. If escrow does not close by December 31, 2026, the lease terminates unless extended by mutual written agreement of the parties. The Lease Agreement also establishes a termination payment provision intended to compensate the District if the transaction fails to close after occupancy has occurred.

The Lease Agreement is necessary to provide the City with legal possession and operational authority over the property prior to transfer of title while protecting the interests of both parties during the interim period.

Operational Use of the Property

The property is anticipated to support utility administration and related governmental operations associated with the City's utility and water service functions. The Lease Agreement provides the City with exclusive occupancy and operational control during the lease term and following acquisition.

The ability to immediately occupy the property allows the City and UVWA to begin operational planning and utilization of the facility without delaying activities until the final close of escrow.

California Surplus Land Act Considerations

Because the transaction involves disposition of publicly owned property between public agencies, the Willow County Water District was required to evaluate the transaction under the California Surplus Land Act (Government Code §§54220–54234).

Staff has been advised that the Willow County Water District has completed the applicable Surplus Land Act review and associated procedural requirements related to the proposed transaction, including any required

determinations, notices, and filings associated with the disposition of the property.

Financial Considerations

The total purchase price for the property is \$500,000.

The City is anticipated to deposit the first \$250,000 installment into escrow prior to June 30, 2026, with the remaining \$250,000 balance to be appropriated and paid at closing. Pending close of escrow, monthly lease payments of \$4,257 would be made under the interim Lease Agreement.

A budget amendment is necessary to appropriate the initial installment funding within Fund 205 for the current fiscal year. The second installment and subsequent internal borrowing and repayment plan will be budgeted in fiscal year 2026-27.

The acquisition is anticipated to be financed through a combination of available reserves and internal borrowing, and paid out of fund 205, the City's utility billing and revenue collection fund. The associated costs of the acquisition and repayment of any internal borrowing are anticipated to be allocated through the City's Indirect Cost Allocation Plan over a maximum period of five years. The Finance Director shall prepare internal borrowing documents for Council consideration after close of escrow and per the City's debt management and budget policies.

The transaction costs, lease payments, and acquisition costs are anticipated to be allocated through the City's Utility Billing Fund, which supports centralized billing, collection, and related utility administrative services provided to the City's utilities and participating agencies and organizations.

Staff recommends Council approve the Real Property Purchase Agreement and Lease and the Lease Pending Close of Escrow Agreement between the City of Ukiah and the Willow County Water District for the property located at 151 Laws Avenue, APN 003-420-47 in substantial form; direct the City Attorney to finalize the agreements; authorize the City Manager to execute the Agreements and any related documents necessary to implement the transaction; and approve the associated budget amendment.

Recommended Action: Approve the Real Property Purchase Agreement and Lease and Lease Pending Close of Escrow Agreement between the City of Ukiah and the Willow County Water District for the property located at 151 Laws Avenue, APN 003-420-47 in substantial form; direct the City Attorney to finalize the agreements; authorize the City Manager to negotiate and execute the agreements and any related documents necessary to implement the transaction; and approve the corresponding budget amendment.

BUDGET AMENDMENT REQUIRED: Yes

CURRENT BUDGET AMOUNT: 20513300.80200.18521: \$0

PROPOSED BUDGET AMOUNT: 20513300.80200.18521: \$250,000

FINANCING SOURCE: Fund reserves and internal borrowing, indirect cost allocation

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: City Manager's Office, Water Resources Department, City Attorney's Office

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): N/A

Approved: 
Sage Sangiacomo, City Manager

REAL PROPERTY PURCHASE AGREEMENT AND LEASE

This Real Property Purchase Agreement (“Agreement”) is made in Ukiah, California between Willow County Water District (“Seller” or “District”) and the City of Ukiah (“Buyer” or “City”). Seller and Buyer are at times collectively referred to below as the “Parties” or individually as a “Party.”

Seller is the owner of that certain real property located at 151 Laws Avenue in Ukiah, California, also known as Mendocino County Assessor’s Parcel Number (“APN.”) 003-420-47 (the “Property”), being substantially as described herein in Exhibit "A" attached hereto and made a part hereof. Buyer desires to purchase the Property from Seller and lease the Property pending close of escrow as further provided herein.

I

PURCHASE AGREEMENT

1. Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Buyer and Buyer hereby agrees to purchase the Property from Seller. Pending close of escrow, as further provided herein Seller agrees to lease the Property to Buyer and Buyer agrees to lease the Property from Seller, pending close of escrow, pursuant to the Lease Agreement attached hereto as Exhibit B.

2. Purchase Price: Buyer agrees to pay and Seller agrees to accept from Buyer Five Hundred Thousand, Dollars (\$500,000) as the full purchase price for the Property.

3. Condition of Title: Title to the Premises shall be free and clear of all liens, except for taxes not yet due, and all leases, easements and encumbrances not approved by Buyer.

4. Escrow: Buyer shall open escrow with a title company of its choice within five (5) days from the effective date of this Agreement and deposit with the title company \$250,000, which shall be applied toward the total purchase price. The parties shall deliver escrow instructions to the escrow agent within 14 days from the effective date of this Agreement, which shall include the following:

a. Closing Date: Escrow shall close on or before December 1, 2026.

b. Preliminary title report and title insurance: Buyer shall have 10 days from the Effective Date to approve a preliminary title report. If Buyer disapproves the report, it must provide written notice of such disapproval to Seller. Buyer shall have no further obligations under this Agreement and shall be entitled to the return of any money or documents deposited with the escrow agent, if it gives Seller timely written notice that it disapproves of title as set forth in a preliminary title report. If Buyer fails to provide such timely written notice, it shall be deemed to have waived all objections to title. The title company must issue prior to closing a CLTA title insurance policy in the amount of the total purchase price, listing only those exceptions approved by Buyer.

c. Inspections and Condition of Premises: Buyer is purchasing the Property in its AS IS condition without any representation or warranty from Seller as to its condition. Buyer shall have 30 days from the Effective Date to obtain and approve any inspections of the Premises as it deems necessary. Seller shall provide Buyer and its inspectors with reasonable access to the Premises for inspection purposes. If Buyer disapproves of a timely inspection report, it must provide written notice of such disapproval to Seller. Buyer shall have no further obligations under this Agreement and shall be entitled to the return of any money or documents deposited with the escrow agent, if it gives Seller timely written notice that it disapproves of a timely inspection report, a copy of which it has provided to Seller. If Buyer fails to provide such timely written notice, it shall be deemed to have waived all objections to the condition of the Premises.

d. Seller Disclosures: Seller discloses the following information it has concerning the condition of the Property and the Easement.

(1) Flood Hazard Area Disclosure: The Property and the Easement or a portion thereof are located within a Federal Emergency Management Agency (FEMA) "Special Flood Hazard Area."

(2) Geologic Hazard Zone: The Property is not located within a Special Studies Zone as designated under Public Resources Code §§ 2021-2625.

e. Closing costs: Buyer shall pay all escrow and title insurance costs of said conveyance. Real property taxes, assessments and insurance premiums, if any, shall be prorated between the parties from the date the deed is recorded in the official records of Mendocino County. All prorrations shall be made on the basis of a 365-day year or 30 day month as applicable.

f. Payment of purchase: Buyer shall deposit by check or by wire transfer the balance of the purchase price prior to close of escrow, unless the City Council fails to appropriate the \$250,000 balance of the purchase price plus Buyer's share of closing costs and escrow fees prior to the Closing Date.

6. Right of Possession: Buyer's right of possession shall commence upon Close of Escrow. Pending Close of Escrow Buyer shall have possession of the Property under the Lease (Exhibit B).

7. Force Majeure: The time for performing any condition under this Agreement shall be extended, and the obligations of Buyer suspended, by the number of days during which the performance of that condition is prevented due to fire, flood, unusual weather events, strikes, labor disputes, shortages, utility curtailments, power failures, explosions, civil disturbances, the time required to satisfy government regulatory requirements beyond the minimum periods permitted by law, acts of God, shortages of equipment or supplies, unavailability of transportation, acts or omissions of third parties or any other reason beyond the reasonable control of the Buyer.

8. Notice: Whenever notice is permitted or required under this Agreement, it shall be deemed given when personally served by personal delivery, fax or overnight courier, or when deposited in the United States mail with proper first class postage affixed thereto and addressed as follows:

BUYER:

City of Ukiah
Attention:
Ukiah Civic Center
300 Seminary Ave.
Ukiah, CA 95482

SELLER:

Willow County Water District
Attention
151 Laws Avenue
Ukiah, CA 95482

Either party may change its official address by giving notice as provided in this paragraph.

9 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile or electronic signatures will have the same legal effect as original signatures.

10. Waivers. No waiver of any breach of any covenant or provision contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision contained herein. No extension of time for performance of any obligation or act will be deemed an extension of time for performance of any other obligation or act except those of the waiving party, which will be extended by a period of time equal to the period of the delay.

11. Successors and Assigns. This Agreement may not be assigned by either Party in whole or in part without the prior written consent of the other Party. This Agreement is binding upon and inures to the benefit of the Parties' permitted successor and assigns.

12. Entire Agreement. This Option Agreement constitutes the entire contract between the parties hereto and may not be modified except by an instrument in writing signed by the party to be charged.

13. Time of Essence. LESSEE and LESSOR hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation, and provision hereof.

14. Construction. The Parties agree and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor of or against either party.

15. Governing Law. The Parties expressly agree that this Agreement will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California. The Parties mutually consent to jurisdiction and venue in the courts of Mendocino County and waive any objections to the jurisdiction or venue of such courts. THE PARTIES WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE OR ANY EMERGENCY OR STATUTORY REMEDY.

16. Paragraph Headings. The paragraph headings contained herein are for convenience and reference only and are not intended to define or limit the scope of this Agreement.

17. Recordation of Memorandum of Lease and Option. Promptly upon the request of Buyer, Seller agrees to execute and acknowledge a "Memorandum of Lease, in form satisfactory to Buyer and sufficient for recording in the Official Records of Mendocino County.

18. No Third-Party Beneficiaries. This Agreement is solely enforceable by LESSOR AND LESSEE. No other parties are intended to have standing to interpret or enforce this Agreement.

WHEREFORE, this Agreement is made and entered on the Effective Date.

BUYER

SELLER

CITY OF UKIAH

WILLOW COUNTY WATER DISTRICT

By: _____
Sage Sangiacomo, City Manager

By: _____

ATTEST:

Kristine Lawler, City Clerk

LEASE AGREEMENT

This Lease Pending Close of Escrow ("Lease") is made in Ukiah, California, on _____, 2026 ("Effective Date") between the Willow County Water District, ("Lessor" or "District") and the City of Ukiah ("Lessee" or "City"). Lessor and Lessee are at times collectively referred to below as the "Parties" or individually as a "Party."

Lessor is the owners of that certain real property located at 151 Laws Avenue in Ukiah, California, also known as Mendocino County Assessor's Parcel Number ("APN.") 003-420-47 (the "Property"), being substantially as described herein in Exhibit "A" attached hereto and made a part hereof. Lessee desires to lease the Property from Lessor, pending close of escrow under that certain REAL PROPERTY PURCHASE AGREEMENT AND LEASE.

LEASE AGREEMENT

1. Lease. Starting on the Commencement Date, Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the real property and improvement located thereon described in **Exhibit A**, together with rights, privileges, easements, servitudes and appurtenances thereto, hereafter called the "Leased Premises" or the "Property")

2. Definitions. In addition to the terms defined elsewhere in this Agreement, the following definitions shall apply throughout this Agreement.

- (a) "Commencement Date" means _____ 1, 2026.
- (b) "Lease" means this Lease
- (c) "Escrow" means the escrow established with the Escrow Company for the purpose of conveying the Property from the Seller to Buyer under the Real Property Sales Agreement.
- (d) "Escrow Company" means Redwood Empire Title Company.
- (e) "Term" means the term of this Lease.
- (f) "Real Property Sales Agreement means the REAL PROPERTY PURCHASE AGREEMENT AND LEASE between the Lessor and Lessee, dated _____, 2026.

4 Term of Lease. This Lease shall commence upon opening escrow in accordance with the the Real Property Sales Agreement and shall continue thereafter until escrow closes as provided in the Real Property Sales Agreement.

5. Lease Payments: Starting on the Commencement Date rent for the Leased Premises shall be \$4257.00 per month due on the first day of each month and delinquent if not paid by the 10th day of the month.

6. Use. Lessee shall have the exclusive occupation and use of the Property during the term of the Lease, including the right to sublease or license the use of any portion of the Property.

7. Utilities. Lessee shall be responsible for securing and paying for all utility services at the Property, including water, sewer electricity and solid waste collection and disposal.

9. Maintenance, Repair and Improvements. Lessee shall be responsible for all costs associated with the occupation and use of the Property and its maintenance and repair. Lessee shall have the right without Lessor's approval to make capital improvements at its discretion. All such work shall comply with applicable law including the California Building Code and the California Environmental Quality Act ("CEQA").

10. Insurance. At all times during the term hereof Lessee shall produce and continue in force pooled risk coverage equivalent to Comprehensive General or Commercial Liability Insurance, and Workers' Compensation and Employer's Liability Insurance. Lessor shall be named as an additional insured under the pooled risk coverage.

11. Delivery and Quiet Enjoyment. Lessor shall deliver the Property on the Commencement Date free of any parties in possession not approved by Lessee and shall provide Lessee with quiet enjoyment without interference thereafter during the Term.

12. Title. Lessor warrants further that no third party has superior title or interest in the Property, and that no prior or existing interest shall interfere with the terms of this Lease or encumber title prior to close of escrow under the Real Property Sales Agreement. Lessor shall not interfere with Lessee's right to quiet enjoyment of the Premises. Lessor represents and warrants to Lessee that as of the Effective Date, and throughout the lease term, there will be no monetary liens of any type whatsoever encumbering the Leased Premises.

13. Indemnification, Defense and Hold Harmless Obligations. Except for the sole negligence or willful misconduct of Lessor, their employees and agents, and to the extent permitted by law, Lessee agrees to indemnify, defend and hold harmless Lessor from and against any and all losses, liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from claims by third parties for injuries to any person and damage to or theft or misappropriation or loss of property occurring on the Property or caused by Lessee's use of the Property. If any action or proceeding is brought against Lessor by reason of any such claim, then Lessee, upon notice from Lessor, shall refer the claim to its pooled risk administrator, currently the California Intergovernmental Risk Authority ("CIRA") for defense and indemnification.

14. Lessee Defaults. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessee:

(a) Any failure by Lessee to make any payment to or on behalf of Lessor required hereunder as and when due, where such failure continues for ten (10) days after written notice from Lessor to Lessee.

(b). A failure by Lessee to observe and perform any other provision of this Agreement to be observed or performed by Lessee, where such failure continues for thirty (30) days after written notice thereof from Lessor to Lessee; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30) day period, Lessee shall not be deemed to be in default if Lessee shall within such period commence such cure and thereafter diligently prosecute the same to completion.

15. Termination.

Upon failure of escrow to close on or before December 31, 2026, as provided in the Real Property Purchase Agreement this Lease shall terminate, unless the Lessor and Lessee agree in writing to extend the lease. City shall pay District a termination fee equal to twelve months of lease payments as provided in Section 5. The Parties agree that such payment represents liquidated damages *in lieu* of all other actual damages to Lessor. The Parties agree such liquidated damages are reasonable under the circumstances existing of the Effective Date of this agreement.

16. Surrender of Premises. Upon expiration or termination of this Agreement, Lessee shall quit and surrender the Premises to Lessor.

17. Miscellaneous provisions.

17.1 Notices. Except as otherwise expressly provided herein, any written notice required by this Agreement shall be deemed given and received when personally served by personal delivery, overnight delivery or email or 48 hours after being placed in the United States mail with proper first-class postage prepaid, and addressed as follows:

To Lessee:

Attention: Sage Sangiacomo
Ukiah Civic Center
300 Seminary Ave.
Ukiah, CA. 95482
Email: ssangiacomo@cityofukiah.com

To Lessor:

Willow County Water District
[REDACTED]
Ukiah, CA. 95482
Email: [REDACTED]

Any party hereto may give notice of an address change under the provisions of this paragraph and thereafter all notices shall be given to that address.

17.2 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile or electronic signatures will have the same legal effect as original signatures.

17.3 Waivers. No waiver of any breach of any covenant or provision contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision contained herein. No extension of time for performance of any obligation or act will be deemed an extension of time for performance of any other obligation or act except those of the waiving party, which will be extended by a period of time equal to the period of the delay.

17.4 Successors and Assigns. This Agreement may not be assigned by either Party in whole or in part without the prior written consent of the other Party. This Agreement is binding upon and inures to the benefit of the Parties' permitted successor and assigns.

17.5 Entire Agreement. This Option Agreement constitutes the entire contract between the parties hereto and may not be modified except by an instrument in writing signed by the party to be charged.

17.6 Time of Essence. Lessee and Lessor hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation, and provision hereof.

17.7 Construction. The Parties agree and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor of or against either party.

17.8 Governing Law. The Parties expressly agree that this Agreement will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California. The Parties mutually consent to jurisdiction and venue in the courts of Mendocino County and waive any objections to the jurisdiction or venue of such courts. THE PARTIES WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE OR ANY EMERGENCY OR STATUTORY REMEDY.

17.9 Paragraph Headings. The paragraph headings contained herein are for convenience and reference only and are not intended to define or limit the scope of this Agreement.

17.10 Recordation of Memorandum of Lease. Promptly upon the request of Lessee, Lessor agrees to execute and acknowledge a "Memorandum of Lease, Option" in form satisfactory to Lessee and sufficient for recording in the Official Records of Mendocino County.

17.11 No Third-Party Beneficiaries. This Agreement is solely enforceable by Lessor AND Lessee. No other parties are intended to have standing to interpret or enforce this Agreement.

WHEREFORE, this Agreement is made and entered on the Effective Date.

Lessee

Lessor

CITY OF UKIAH

WILLOW COUNTY WATER DISTRICT

By: _____
Sage Sangiacomo, City Manager

By: _____

ATTEST:

Kristine Lawler, City Clerk

EXHIBIT A
LEGAL DESCRIPTION



AGENDA SUMMARY REPORT

SUBJECT: Approval of Budget Amendment for SHN Consulting Engineers & Geologists, Inc. for Compaction Testing in the Amount of \$31,557.90.

DEPARTMENT: Public Works

PREPARED BY: Seth Strader, Public Works Management Analyst II

PRESENTER: Tim Eriksen, Director of Public Works/City Engineer

ATTACHMENTS:

1. SHN Invoices

Summary: Council will consider approval of a budget amendment for SHN Consulting Engineers & Geologists, Inc. for compaction testing in the amount of \$31,557.90.

Background: SHN Consulting Engineers & Geologists, Inc. (SHN) is a local engineering company that specializes in compaction and material testing for construction projects. Compaction and material testing services are needed to ensure the roadway has a solid foundation that will resist destabilization and cracking, promoting a longer life. SHN has performed testing services on many City projects, including the Downtown Streetscape Projects, Phase 1 and 2, the Clara Reconstruction Project, Dora Reconstruction and Rehabilitation Project, and many more. SHN has performed these services to Staff's satisfaction.

Discussion: Staff is requesting a budget amendment in the amount of \$31,557.90 for services performed by SHN for compaction and materials on the Downtown Streetscape Project Phase 2 and the Urban Core Project. See Attachment 1 for a copy of these invoices. This work was done prior to the asphalt roadway being paved to verify compaction to ensure a longer-lasting life of the roadway.

This requested budget amendment is funded by the Gas Tax Revenue Fund, which is a fund paid by the State monthly that is used towards engineering and construction services that maintain, rehabilitate or improve roadways within the City.

Recommended Action: Approve budget amendment for SHN Consulting Engineers & Geologists, Inc. for compaction testing in the amount of \$31,557.90.

BUDGET AMENDMENT REQUIRED: YES

CURRENT BUDGET AMOUNT: 50024220.80230.18435: \$0; 50024620.80230.18234: \$0

PROPOSED BUDGET AMOUNT: 50024620.80230.18435: \$18,843.75; 50024620.80230.18234: \$12,714.15

FINANCING SOURCE: Gas Tax Revenue Fund

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Andrew Stricklin, Senior Engineer and Tim Eriksen, Director of Public Works/City Engineer

STRATEGIC PLAN (SP):

GENERAL PLAN ELEMENTS (GP): GP-A4 - Public Facilities, Services, and Infrastructure Element.

Approved: 
Sage Sangiacomo, City Manager

Invoice**SHN CONSULTING ENGINEERS & GEOLOGISTS, INC.****707-441-8855****812 W. Wabash Ave.****Eureka, CA 95501****Tax ID# 94-2571944**

July 31, 2025

Invoice No:

126466

JASON BENSON
CITY OF UKIAH
300 SEMINARY AVE.
UKIAH, CA 95482

Project Manager Leif Wanta

Project 420038 DOWNTOWN STREETScape (LDW)

Professional Services for the Period Ending June 30, 2025

Billing Group 300 PHASE 2 (PW)

Professional Services

	Hours	Rate	Amount	
Bemish, Daniel	5.00	110.00	550.00	
Bemish, Daniel	4.00	205.00	820.00	
Bemish, Daniel	8.00	215.00	1,720.00	
Bemish, Daniel	4.00	240.00	960.00	
Bemish, Daniel	2.00	265.00	530.00	
Wanta, Leif	7.50	120.00	900.00	
Wanta, Leif	8.00	205.00	1,640.00	
Wanta, Leif	12.00	215.00	2,580.00	
Wanta, Leif	3.00	230.00	690.00	
Wanta, Leif	7.00	240.00	1,680.00	
Totals	60.50		12,070.00	
Total Labor				12,070.00

Unit Billing

6/11/2025	Mileage	50.0 Units @ 0.95	47.50	
6/12/2025	Mileage	53.0 Units @ 0.95	50.35	
6/25/2025	Mileage	50.0 Units @ 0.95	47.50	
6/26/2025	Mileage	54.0 Units @ 0.95	51.30	
6/27/2025	Mileage	50.0 Units @ 0.95	47.50	
6/11/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
6/12/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
6/26/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
6/27/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
Total Units			644.15	644.15

Billing Group Total \$12,714.15**Total Project Invoice Amount \$12,714.15**

Invoice

SHN CONSULTING ENGINEERS & GEOLOGISTS, INC.

707-441-8855

812 W. Wabash Ave.

Eureka, CA 95501

Tax ID# 94-2571944

August 31, 2025

Invoice No: 126864

JASON BENSON
CITY OF UKIAH
300 SEMINARY AVE.
UKIAH, CA 95482

Project Manager Leif Wanta

Project 420038 URBAN CORE (LDW)

Professional Services for the Period Ending July 31, 2025

Billing Group 300 PHASE 2 (PW)

Professional Services

	Hours	Rate	Amount	
Wanta, Leif	3.50	120.00	420.00	
Wanta, Leif	2.00	205.00	410.00	
Totals	5.50		830.00	
Total Labor				830.00

Unit Billing

7/30/2025	Comp. Curve D1557/C216 (W)	1.0 Unit @ 325.00	325.00	
7/30/2025	Mileage	50.0 Units @ 0.95	47.50	
7/30/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
Total Units			472.50	472.50

Billing Group Total \$1,302.50**Total Project Invoice Amount \$1,302.50****Outstanding Invoices**

Number	Date	Balance
126466	7/31/2025	12,714.15
Total		12,714.15

Invoice**SHN CONSULTING ENGINEERS & GEOLOGISTS, INC.**

707-441-8855

812 W. Wabash Ave.

Eureka, CA 95501

Tax ID# 94-2571944

September 30, 2025

Invoice No: 127206

JASON BENSON
CITY OF UKIAH
300 SEMINARY AVE.
UKIAH, CA 95482

Project Manager Leif Wanta

Project 420038 URBAN CORE (LDW)

Professional Services for the Period Ending August 31, 2025

Billing Group 300 PHASE 2 (PW)

Professional Services

	Hours	Rate	Amount	
Bemish, Daniel	15.00	110.00	1,650.00	
Bemish, Daniel	29.00	205.00	5,945.00	
Bemish, Daniel	10.00	230.00	2,300.00	
Wanta, Leif	6.00	120.00	720.00	
Wanta, Leif	9.00	205.00	1,845.00	
Totals	69.00		12,460.00	
Total Labor				12,460.00

Reimbursable Expenses

Outside Expenses				
8/6/2025	B OF A VISA #4375 (Bemish)	Friedmans	38.80	
	Total Reimbursables		38.80	38.80

Unit Billing

8/6/2025	Mileage	50.0 Units @ 0.95	47.50	
8/8/2025	Mileage	55.0 Units @ 0.95	52.25	
8/9/2025	Mileage	56.0 Units @ 0.95	53.20	
8/11/2025	Mileage	50.0 Units @ 0.95	47.50	
8/12/2025	Mileage	60.0 Units @ 0.95	57.00	
8/13/2025	Mileage	50.0 Units @ 0.95	47.50	
8/8/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
8/9/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
8/11/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
8/12/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
8/13/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00	
	Total Units		804.95	804.95

Billing Group Total \$13,303.75**Total Project Invoice Amount** \$13,303.75**Outstanding Invoices**

Number	Date	Balance
126466	7/31/2025	12,714.15
126864	8/31/2025	1,302.50
Total		14,016.65

Project	420038	URBAN CORE (LDW)	Invoice	127206
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Invoice

SHN CONSULTING ENGINEERS & GEOLOGISTS, INC.

707-441-8855

812 W. Wabash Ave.

Eureka, CA 95501

Tax ID# 94-2571944

October 31, 2025

Invoice No: 127591

ANDREW STRICKLIN
CITY OF UKIAH
300 SEMINARY AVE.
UKIAH, CA 95482

Project Manager Leif Wanta

Project 420038 URBAN CORE (LDW)

Professional Services for the Period Ending September 30, 2025

Billing Group 300 PHASE 2 (PW)

Professional Services

	Hours	Rate	Amount	
Wanta, Leif	1.00	120.00	120.00	
Totals	1.00		120.00	
Total Labor				120.00
		Billing Group Total		\$120.00
		Total Project Invoice Amount		\$120.00

Outstanding Invoices

Number	Date	Balance
126466	7/31/2025	12,714.15
126864	8/31/2025	1,302.50
127206	9/30/2025	13,303.75
Total		27,320.40

Invoice

SHN CONSULTING ENGINEERS & GEOLOGISTS, INC.

707-441-8855

812 W. Wabash Ave.

Eureka, CA 95501

Tax ID# 94-2571944

January 28, 2026

Invoice No: 128610

ANDREW STRICKLIN
CITY OF UKIAH
300 SEMINARY AVE.
UKIAH, CA 95482

Project Manager Leif Wanta

Project 420038 URBAN CORE (LDW)

Professional Services for the Period Ending December 31, 2025

Billing Group 300 PHASE 2 (PW)

Professional Services

	Hours	Rate	Amount
Bemish, Daniel	2.50	110.00	275.00
Bemish, Daniel	8.00	205.00	1,640.00
Bemish, Daniel	.50	230.00	115.00
Wanta, Leif	2.50	120.00	300.00
Wanta, Leif	8.00	205.00	1,640.00
Totals	21.50		3,970.00
Total Labor			3,970.00

Unit Billing

12/5/2025	Mileage	50.0 Units @ 0.95	47.50
12/5/2025	Nuclear Density Testing (W)	1.0 Unit @ 100.00	100.00
	Total Units		147.50

Billing Group Total \$4,117.50**Total Project Invoice Amount \$4,117.50****Outstanding Invoices**

Number	Date	Balance
126466	7/31/2025	12,714.15
126864	8/31/2025	1,302.50
127206	9/30/2025	13,303.75
127591	10/31/2025	120.00
Total		27,440.40

Law Offices Of

RAPPORT AND MARSTON

An Association of Sole Practitioners

405 W. Perkins Street
Ukiah, California 95482
e-mail: dvaughn@cityofukiah.com

David J. Rapport
Darcy Vaughn

(707) 462-6846
FAX 462-4235

MEMORANDUM

TO: Members of City Council and all City Legislative Bodies
FROM: Darcy Vaughn, Assistant City Attorney
DATE: June 9, 2026
SUBJECT: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

INTRODUCTION

You have asked:

1. Is there a Brown Act exemption that would apply to the workshop (“June 11 Workshop”) to be held on June 11, 2026, at the Alex Rorabaugh Center, by City staff for members of the public to ask questions about annexation of the Sapling area and discuss related issues with staff?
2. If there is no exemption that applies, and the City Council opted to hold the June 11 Workshop as a special meeting of the Council to discuss annexation with members of the public:
 - a. Does the special meeting have to be held at a location that is within the City’s jurisdiction?
 - b. What procedural requirements would apply at the meeting? For example, could the meeting have an informal format, or would a structured meeting be required?

CONCLUSION

1. There is no Brown Act exemption that would apply to the Annexation Workshop to be held on June 11, 2026, at the Alex Rorabaugh Center by City staff.
- 2a. Any meeting of the City Council must be held at a location in the City’s jurisdiction.
- 2b. A Brown Act meeting need not be formal or conventional, but is still subject to the usual notice and agenda requirements. If the City Council does vote on an action item, the usual public

To: Members of City Council and Legislative Bodies

Page 2

Subject: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

Date: June 5, 2026

voting requirements apply.

ANALYSIS

A meeting, as defined by the Brown Act, is “any congregation of a majority of the members of a legislative body at the same time and place to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the legislative body” Govt Code § 54952.2(a). The key elements for a meeting are quorum and discussion, hearing or deliberation of issues; the meeting needs not to be formally convened in order to be subject to the act. That means that “informal”, “discussion,” or “informational” gatherings of a quorum of the members of a board are within the scope of the Act as meetings.

Brown Act Exemptions and Application to June 11 Workshop

There are, however, a number of exemptions to the Brown Act requirements that would otherwise apply to a gathering of a quorum of the members of a legislative body. It is my opinion that none of those exemptions apply to the particular facts and circumstances of the proposed June 11 Workshop meeting organized and hosted by City staff to discuss annexation of the Sapling area with members of the public.

The Brown Act exemptions to meeting requirements are as follows:

Conferences and Retreats.

The Brown Act exempts conferences and similar gatherings, which are open to the public, that involve issues of interest to the public or to public agencies of the type represented by the legislative body in question, so long as the majority of the members of the legislative body do not discuss among themselves, other than as part of the scheduled program, any specific issues which are within the subject matter jurisdiction of the legislative body. Govt. Code § 54952.2(c)(2).

Community Meetings.

When a majority of a legislative body attends an open and publicized meeting organized to address a topic of local community concern by a person or organization, other than the local agency, the legislative body is not deemed to be conducting a meeting, so long as the members in attendance do not discuss among themselves, other than as part of the scheduled program, issues of a specific nature related to the subject matter jurisdiction of the body. Govt. Code § 54952.2(c)(3). This exception applies to attendance at a meeting conducted by a private individual, or private organization, so long as the meeting concerns issues of local interest and is open to the public and well publicized in advance.

To: Members of City Council and Legislative Bodies

Page 3

Subject: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

Date: June 5, 2026

Meetings of Other Legislative Bodies.

When a majority of the legislative body attends an open and noticed meeting of another legislative body of the same or a different local agency, the legislative body is not deemed to be conducting a meeting, so long as the members in attendance do not discuss, among themselves, other than as part of the scheduled meeting, issues of a specific nature related to the subject matter jurisdiction of the body. Govt. Code § 54952.2(c)(4). For example, a majority of a planning commission may attend a meeting of the city council for the same city without treating such attendance as a meeting of the planning commission under the Brown Act.

Social or Ceremonial Occasions.

Attendance by a majority of the members of the legislative body at a purely social or ceremonial occasion is not deemed to be a meeting, so long as the members do not discuss among themselves specific business within the jurisdiction of the body. Govt. Code § 54952.2(c)(5).

Standing Committee.

A majority of the parent body may attend an open and noticed meeting of a standing committee so long as the members who are not members of the standing committee and which cause a majority of the parent body to be present, attend only as observers. Govt. Code § 54952.2(c)(6).

It is clear that the June 11 Workshop does not involve a meeting of a standing committee of the City Council, nor is it a social or ceremonial occasion. The Workshop does not involve a meeting of another legislative body of the City or other local agency; it is a meeting of the public with City staff, which is not a governing body of the City, nor a board or commission of the City. The Community Meeting exemption would not apply in this instance as the June 11 Workshop has not been organized by a person or organization “other than the local agency” but has, in fact, been organized by City staff.¹

Whether the June 11 Workshop could be considered a conference or similar requires additional analysis. The California Attorney General (“AG”) issued an opinion analyzing both exemptions in the context of a Ventura Chamber of Commerce breakfast event at which the Ventura mayor would deliver a “State of the City Address” to paying members of the Chamber and of the public.

¹ In contrast, the City Attorney’s office advised that a quorum of the City Council could attend a workshop hosted by the Inland Water and Power Commission under the “Meetings of Other Legislative Bodies” and “Community Meeting” exemptions.

To: Members of City Council and Legislative Bodies

Page 4

Subject: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

Date: June 5, 2026

The AG opinion begins the analysis noting that the Brown Act contains an exception to its definition of “meetings” that applies to conferences or other similar gatherings open to the public that involve discussion of issues of general interest to the public or to public agencies of the type represented by the legislative body. In analyzing whether the gathering of the Ventura city council at the Chamber of Commerce event would fall within this exception, the AG looked to common definitions of “conference” to define the term as one that involves multiple presentations facilitating an exchange of ideas between multiple parties. The AG distinguished the “State of the City” event as one that involved a single speech by a single official regarding the conditions of a single city. Since the event was narrowly focused on the city rather than more broadly faceted, the AG concluded that the event would not fit into the Brown Act’s exception for conferences. 2024 CAL. AG LEXIS 5, *17-18, 2024 Cal. Op. Atty Gen. No. 23-102.

In addition, the AG considered the legislative history of section 54952.2(c)(2), noting that an earlier version of the exception would have applied to “general conferences, conventions, symposia, speeches, classes, and seminars . . . that involve a discussion of broad issues, and that are attended by a broad spectrum of officials from a variety of government agencies.” The change by the Assembly to the current language, according to the Attorney General’s analysis, means that a qualifying event does not need to be attended by a broad spectrum of officials from a variety of government agencies. “But it also means that the exception applies only to conferences and to gatherings that are similar to conferences. That narrowed reference appears to include broadly faceted events like conventions, but not narrowly focused events like the chamber of commerce speech at issue here.” *Id.* at 18-19.

Finally, the AG concluded that even if the event could be considered a conference, it did not qualify for that exemption as it did not involve “a discussion of issues of general interest to the public or to public agencies of the type represented by the legislative body” as required under section 54952.2(c)(2). The AG stated that the phrase “of general interest to the public,” “is most reasonably read as being of general interest to the public as a whole, not just to those members of the public who happen to live or work within the territorial jurisdiction of the legislative body.” *Id.* at 19-20. Likewise, the AG concluded that while the Ventura State of the City address would be of general interest to the members of the Ventura city council, it was doubtful whether it would also be of general interest to other city councils. *Id.* at 21-22.

While the format of the June 11 Workshop has not been finalized, the most likely arrangement will involve a panel of staff members presenting on their areas of expertise within the general topic of the City’s proposed annexation of the Sapling area. The presentations will be followed by an opportunity for members of the public to ask questions and provide comments to City staff on the issue of annexation of the Sapling area. These questions and comments will likely be subject to the per-person duration limits used for public comment at City Council meetings.

To: Members of City Council and Legislative Bodies

Page 5

Subject: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

Date: June 5, 2026

Rather than being a broadly-faceted event involving multiple speakers on multiple topics of interest to the general public, the June 11 Workshop is, like the Ventura State of the City event, a narrowly-focused event dealing solely with the issue of annexation of the Sapling area. While this issue is certainly of interest to the members of the public who happen to live or work within the City limits and in the Sapling area, it is not an issue of general interest to the public. As such, the conference exemption does not apply. As there is no applicable Brown Act exemption that applies to the June 11 Workshop, it is a meeting to which Brown Act requirements apply. With this in mind, I will review certain Brown Act requirements that would apply to the June 11 Workshop should a quorum of the City Council attend the Workshop.

Brown Act Requirements for Meeting Locations

The Brown Act is quite explicit that regular and special meetings of a legislative body must be held at a location within the territorial jurisdiction of the local agency. Govt Code § 54954(b). As such, the June 11 Workshop, which will be located at the Alex Rorabaugh Center and outside the City Limits, cannot be held as a special meeting of the City Council at that location. There are exceptions to Section 54954(b), none of which apply here. I list them below for your review.

A legislative body may hold a regular or special meeting at a location outside the territory over which the local agency exercises jurisdiction to do the following:

- Comply with state or federal law or court order, or attend a judicial or administrative proceeding to which the local agency is a party.
- Inspect real or personal property which cannot be conveniently brought within the boundaries of the territory over which the local agency exercises jurisdiction provided that the topic of the meeting is limited to items directly related to the real or personal property.
- Participate in meetings or discussions of multiagency significance that are outside the boundaries of a local agency's jurisdiction. However, any meeting or discussion held pursuant to this subdivision shall take place within the jurisdiction of one of the participating local agencies and be noticed by all participating agencies as provided for in this chapter.
- Meet in the closest meeting facility if the local agency has no meeting facility within the boundaries of the territory over which the local agency exercises jurisdiction, or at the principal office of the local agency if that office is located outside the territory over which the agency exercises jurisdiction.
- Meet outside their immediate jurisdiction with elected or appointed officials of the United States or the State of California when a local meeting would be impractical, solely to discuss a legislative or regulatory issue affecting the local agency and over which the federal or state officials have jurisdiction.

To: Members of City Council and Legislative Bodies

Page 6

Subject: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

Date: June 5, 2026

- Meet outside their immediate jurisdiction if the meeting takes place in or nearby a facility owned by the agency, provided that the topic of the meeting is limited to items directly related to the facility.
- Visit the office of the local agency's legal counsel for a closed session on pending litigation, when to do so would reduce legal fees or costs.

Govt. Code § 54954(b)(1)(7).

Informal Meetings and Procedural Requirements for Brown Act Meetings

While procedural requirements apply to every Brown Act meeting – for example, the notable requirement that all votes by the legislative body are public (Govt. Code § 54953(d) – there is no requirement that all meetings be formal or proceed as a series of action items. As the California Attorney General states in a guidance publication from the Attorney General's Office and titled *The Brown Act: Open Meetings for Legislative Bodies*:

The definition of the term 'meeting' contained in [Government Code] section 54952.2(a) includes any congregation of a majority of the members of a body at the same time and place to hear, discuss or deliberate on any issue under the subject matter jurisdiction of the body. This definition makes it clear that the body need not take any action in order for a gathering to be defined as a meeting. A gathering is a meeting if a majority of the members of the body merely receive information or discuss their views on an issue.

The Brown Act: Open Meetings for Legislative Bodies (2003), page 8. Informal meetings, informational meetings, and meetings held for the purpose of discussion are decidedly meetings within the definition provided in the Brown Act. 42 Ops.Cal.Atty.Gen. (1963) 61, 67.

California case law comports with this acknowledgment that a Brown Act meeting need not involve formal action taken on action items nor be a conventional meeting at all. A "meeting" is not limited to those legislative sessions in which a legislative body decides upon a particular course of action, but also includes sessions conducted for the "collective acquisition and exchange of facts preliminary to the ultimate decision." *Sacramento News & Herald v. Sacramento Co. Bd. of Supervisors* (1968) 263 Cal. App. 2d 41, 47-48. Furthermore, lack of a conventional meeting format does not render a congregation of the majority of members of a legislative body something other than a meeting. "As operative criteria, formality and informality are alien to the law's design, exposing it to the very evasions it was designed to prevent. Construed in the light of the Brown Act's objectives, the term 'meeting' extends to informal sessions or conferences . . . designed for the discussion of public business." *Id.*, 263 Cal. App. 2d at 50-51.

To: Members of City Council and Legislative Bodies

Page 7

Subject: Application of Brown Act to Workshops and to Procedural Requirements for Special Meetings

Date: June 5, 2026

As such, an informal, special meeting of the City Council could be held for the purpose of allowing the public to discuss with the City Council, and for the City Council to discuss amongst themselves before the public, issues relevant to the proposed annexation. The agenda could consist of a single, non-action item, with a brief, general description of the item, for example, discussion of proposed annexation options. Notice and posting of the agenda would follow Brown Act requirements for special meetings.

Please let me know if you have additional questions or concerns on this topic.



AGENDA SUMMARY REPORT

SUBJECT: Conduct a Public Hearing to Receive Public Comment; Discuss Final Grantee Performance Under State Community Development Block Grant 22-CDBG-PL-20038; Adopt Resolution Confirming Project Closeout and Reimbursement of Grant Expenses from the California Department of Housing and Community Development; and Approve any Corresponding Budget Amendments Required as Part of the Grant Closeout Process.

DEPARTMENT: Community Development

PREPARED BY: Jim Robbins, Housing and Grants Manager

PRESENTER: Jim Robbins, Housing and Grants Manager

ATTACHMENTS:

1. Resolution_2022-51
2. Standard-Agreement-22-CDBG-PL-20038
3. 2026-Housing-Conditions-Survey-Report_Adopted_5-20-2026
4. Closeout-Draft-Resolution

Summary: Council is requested to conduct a public hearing to receive a report from Staff on performance and accomplishments from State Community Development Block Grant # 22-CDBG-PL-20038; receive public comment related to the City's performance on this grant project; adopt a Resolution acknowledging project accomplishments and confirming activity completion; and approve any corresponding budget amendments required as part of the grant closeout process.

Background: On June 15, 2022, the Ukiah City Council adopted Resolution No. 2022-41 (Attachment 1) authorizing the submittal of a State Community Development Block Grant (CDBG) application in response to the 2022 CDBG Notice of Funding Availability (NOFA) issued by the State Department of Housing and Community Development (HCD). The authorizing Resolution for application included the project "City of Ukiah Housing Conditions Survey."

The City was awarded \$99,689 in State CDBG Activity funds for the Housing Conditions Survey project, which included no additional Program Income. The City executed Standard Agreement 22-CDBG-PL-20038 on September 8, 2023 (Attachment 2). Awarded activities consisted of the following:

"City of Ukiah Housing Conditions Survey"

The draft 2026 Housing Conditions Survey Report was presented to Council on May 20, 2026, for review acceptance. The Survey was approved by Council in a unanimous vote on that date (Attachment 3).

The purpose of this item is for the City Council to conduct a public hearing and receive public comment regarding the work completed, the Housing Conditions Survey Report, under City of Ukiah 22-CDBG-PL-20038. It is also for the Council to receive a report from Staff and discuss final Grantee (City of Ukiah) performance related to grant activities.

Discussion: City of Ukiah 22-CDBG-PL-20038 grant deliverables, along with their status of implementation (performance) at completion, are listed below:

1. Updated estimate of housing units in the City by Census Tract Block Group, focusing on the seven LMI block groups. – Completed.
2. Final draft of survey format to be used to conduct the survey. – Completed.
3. Training instructions on how to conduct a windshield survey. – Completed.
4. Quarterly and annual activity reports on survey progress, successes, and challenges – Completed.
5. Final Housing Conditions Survey Report. – Completed at the May 20, 2026, City Council Meeting.
6. City Council meeting project closeout Resolution – In progress (will be completed if Council adopts Resolution authorizing closeout).

City of Ukiah (Grantee) Community Development Department and Housing Services Division staff successfully implemented the CDBG-funded Housing Conditions Survey between December 2023 and May 2026. All \$99,689 in CDBG grant funds were expended by the City, representing an expenditure rate of 100%, and all reimbursements have been received from HCD.

Staff recommends Council receive this report, conduct a public hearing to receive public comment on the City's performance related to 22-CDBG-PL-20038, and adopt a Resolution acknowledging accomplishments, confirming activity completion, and confirming receipt of grant reimbursement funds from the State (Attachment 4).

Recommended Action: 1) Receive report from Staff on final performance related to State Community Development Block Grant 22-CDBG-PL-20038; 2) conduct a public hearing to receive public comment; 3) adopt a Resolution acknowledging accomplishments, confirming activity completion, and confirming approval of grant reimbursement funds from the State; and 4) approve any corresponding budget amendments required as part of the grant closeout process.

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: \$99,689

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: state grant 22-CDBG-PL-20038

REVENUE: No **GRANT:** Yes

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Craig Schlatter, Community Development Director

STRATEGIC PLAN (SP): SP 1A - Build neighborhoods that provide access for all to a compatible balance of housing, employment, commercial, medical, education, and recreational resources.

GENERAL PLAN ELEMENTS (GP): GP-A8 - Housing Element (2019-2027).

Approved: 
Sage Sangiacomo, City Manager



APPENDIX D

Resolution of the Governing Body

Applicants are required to use this Resolution in content and form.

RESOLUTION NO. 2022-51

**A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE
EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS
THERETO FROM THE 2021-2022 FUNDING YEAR OF THE STATE CDBG
PROGRAM**

BE IT RESOLVED by the City Council of the City
of Ukiah as follows:

SECTION 1:

The City Council has reviewed and hereby approves the submission to the State of California of one or more application(s) in the aggregate amount, not to exceed, of \$ 99,689.00 for the following CDBG activities, pursuant to the January 2022 CDBG NOFA:

List activities and amounts (*activity totals should include Activity Delivery dollars and General Administration associated with the activity*)

Activity (i.e. Public Services, Housing Rehabilitation)	Dollar Amount Being Requested for the Activity
Planning, Housing Conditions Survey	\$ 99,689.00
	\$
	\$
	\$

Note: Similar to the above, any Colonia or Native American Set-Aside activities must be included separately in the Resolution.

SECTION 2:

The City hereby approves the use of Program Income in an amount not to exceed \$ 0.00 for the CDBG activities described in Section 1.



APPENDIX D

SECTION 3:

The [City] acknowledges compliance with all state and federal public participation requirements in the development of its application(s).

SECTION 4:

The [City] hereby authorizes and directs the (title of designated official) [City Manager], or designee*, to execute and deliver all applications and act on the [City's] behalf in all matters pertaining to all such applications.

SECTION 5:

If an application is approved, the (title of designated official) [City Manager], or designee*, is authorized to enter into, execute and deliver the grant agreement (i.e., Standard Agreement) and any and all subsequent amendments thereto with the State of California for the purposes of the grant.

SECTION 6:

If an application is approved, the (title of designated official) [City Manager], or designee, is authorized to sign and submit Funds Requests and all required reporting forms and other documentation as may be required by the State of California from time to time in connection with the grant.

** Important Note: If the designee is signing any application, agreement, or any other document on behalf of the designated official of the City/County, written proof of designee authority to sign on behalf of such designated official must be included with the Resolution, otherwise the Resolution will be deemed deficient and rejected. Additionally, do not add limitations or conditions on the ability of the signatory or signatories to sign documents, or the Resolution may not be accepted. If more than one party's approval is required, list them as a signatory. The only exception is for county counsel or city attorney to approve as to form or legality or both, IF such approval is already part of the standard city/county signature block as evidenced by the signed Resolution itself. Inclusions of additional limitations or conditions on the authority of the signer will result in the Resolution being rejected and will require your entity to issue a corrected Resolution prior to the Department issuing a Standard Agreement.*



APPENDIX D

PASSED AND ADOPTED at a regular meeting of the City Council
of the City of Ukiah held on 08/17/22 by the following vote:

Instruction: Fill in all four vote-count fields below. If none, indicate "0" for that field.

AYES: 0

NOES: 0

ABSENT: 0

ABSTAIN: 0

Jim O Brown August 17, 2022
Authorized Signature Date
Jim O. Brown, Mayor
Signer's Title

STATE OF CALIFORNIA

City of Ukiah

I, Kristine Lawler, City Clerk of the City of
Ukiah, State of California, hereby certify the above and foregoing to be a full,
true and correct copy of a resolution adopted by said City Council
on this 17th day of August, 2022.

Kristine Lawler, City Clerk
of the City of Ukiah, State of California
By: Kristine Lawler

Note: The attesting officer cannot be the person identified in the Resolution as the authorized signer.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

 AGREEMENT NUMBER
 22-CDBG-PL-20038

PURCHASING AUTHORITY NUMBER (If Applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTOR NAME

City of Ukiah

2. The term of this Agreement is:

START DATE

Upon HCD Approval

THROUGH END DATE

Thirty-Six (36) Months from the Effective Date

3. The maximum amount of this Agreement is:

\$99,689.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	7
Exhibit B	Budget Detail and Payment Provisions	7
Exhibit C *	General Terms and Conditions	04/2017
+ - Exhibit D	CDBG Program Terms and Conditions	25
+ - Exhibit E	Program Application	12

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

City of Ukiah

CONTRACTOR BUSINESS ADDRESS

300 Seminary Avenue

CITY

Ukiah

STATE

CA

ZIP

95482

PRINTED NAME OF PERSON SIGNING

Sage Sangiacomo

TITLE

City Manager

CONTRACTOR AUTHORIZED SIGNATURE



 Sage Sangiacomo
 2023.09.01 08:57:24 -07'00'

DATE SIGNED

09/01/2023

SCO ID:

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

22-CDBG-PL-20038

PURCHASING AUTHORITY NUMBER (If Applicable)

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of Housing and Community Development (HCD)

CONTRACTING AGENCY ADDRESS

2020 W. El Camino Avenue

CITY

Sacramento

STATE

CA

ZIP

95833

PRINTED NAME OF PERSON SIGNING

Diana Malimon

TITLE

Contract Services Section0 Manager

CONTRACTING AGENCY AUTHORIZED SIGNATURE

Diana Malimon

Digitally signed by Diana Malimon
Date: 2023.09.08 16:24:42 -07'00'

DATE SIGNED

09/08/2023

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

Exempt per SCM Vol. 1 4.04. A.3 (DGS memo dated
6/12/1981)

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority & Purpose

This Standard Agreement (hereinafter "Agreement") will provide official notification of the reservation of funds under the State of California's administration of the federal Community Development Block Grant Program for non-entitlement jurisdictions (hereinafter, "CDBG" or the "Program") by the Department of Housing and Community Development (hereinafter the "Department") pursuant to the provisions of 42 U.S. Code (U.S.C.) 5301, et seq., 24 Code of Federal Regulations (CFR) Part 570, Subpart I, California Health and Safety Code Section 50825, et seq., and the California State CDBG Program Guidelines in effect as of October 15, 2019, all as may be amended from time to time. The Program is listed in the federal System of Award Management Assistance Listings (formerly Catalog of Federal Domestic Assistance) as 14.228 - CDBG -Community Development Block Grant Program. In accepting this reservation of funds by executing this Agreement, the Grantee agrees to comply with the terms and conditions of this Agreement, the Notice of Funding Availability (NOFA) under which the Grantee applied, as identified in this document footer, the representations contained in the Grantee's application (the "Application") for this funding allocation, which is incorporated herein by reference and is included as a summary in Exhibit E, and the requirements of the authorities cited above. For activities funded outside of a NOFA, including activities funded through Program Income, and activities funded through Urgent Need, the Grantee agrees to comply with the terms and conditions of this Agreement, the representations contained in the Grantee's Application for activity funding, which is incorporated herein by reference and is included as a summary in Exhibit E, and the requirements of the authorities cited above. Any changes made to the submitted and awarded Application after this Agreement is executed must receive prior written approval from the Department. For purposes of this Agreement, use of the term "Grantee" shall be a reference to "Contractor".

2. Scope of Work

- A. The Grantee shall perform the funded activities described in the Scope of Work (Work), including applicable National Objectives as represented in Exhibit E, and the Application which is on file with the Department and which is incorporated herein by reference. All written materials or alterations submitted as addenda to the original Application and which are approved in writing by the Department are hereby incorporated as part of the Application. The Department reserves the right to require the Grantee to modify any or all parts of the Application in order to

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT A

comply with CDBG requirements. The Department reserves the right to monitor all Work to be performed by the Grantee, its contractors, and subgrantees in relation to this Agreement. Any proposed revision to the Scope of Work must be submitted in writing for review and approval by the Department and may require an amendment to this Agreement. Approval shall not be presumed unless such approval is made by the Department in writing.

- B. For the purposes of performing the Scope of Work, the Department agrees to provide the amount(s) identified in Exhibit B, and as detailed in Exhibit E, Budget Worksheet. Unless amended in writing, the Department shall not be liable for any costs in excess of the total approved budget. The Department shall not, under any conditions, be liable for any unauthorized or ineligible costs or activities.
- C. Except for General Program Administration, grant activity(ies) must meet one of the following three CDBG National Objectives:
 - 1) Benefit to Low/Moderate Income Persons or Households,
 - 2) Urgent Need, or
 - 3) Elimination of Slums or Blight as defined in 24 CFR 570.483.

3. **Effective Date and Commencement of Work**

- A. This Agreement is effective upon approval by the Department as evidenced by the Department representative's signature on page one of the fully executed Standard Agreement, STD 213.
- B. The CDBG Grantee agrees that no Work toward the implementation of the project activity or program activity, as identified in Exhibit E, shall commence without prior written authorization from the Department prior to the execution of this Agreement by the Department.

4. **Term of Agreement and Performance Milestones**

- A. Term of Agreement: The Grantee shall complete the grant activity and/or activities on or before 36 months (three (3) years) from the Department's execution date identified on the STD 213 of this Standard Agreement ("Contract Expiration Date". Any extensions beyond the 36 months will require the Department's approval and a contract amendment.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT A

- B. **Expenditure Deadline:** All costs to be reimbursed with Program funds shall be incurred no later than 33 months (two (2) years and nine (9) months) from the final Department execution date of this Agreement as identified on the STD 213. Costs incurred after the Expenditure Deadline are not eligible for reimbursement.
- 1) **Reporting Deadlines:**
- a) All activities except activities in support of new housing construction and activities in support of economic development must report final beneficiaries no later than the Contract Expiration Date.
 - b) For activities in support of new housing construction and economic development where housing units or jobs are dependent on off-site infrastructure development, the activity shall have an extended reporting term of two years (24 months) from the Contract Expiration Date deadline to complete reporting of units constructed and occupied or jobs created or retained. Activities that do not meet the reporting deadline will be deemed ineligible and the Grantee will be required to repay all grant funds expended on the activity.
- C. **Milestones:** Grantee shall timely adhere to project milestones as established in Exhibit E.
- 1) **Failure to Meet Milestones:**
- a) Failure to meet the first milestone identified in Exhibit E, is a material breach and will result in a for-cause termination of this Agreement. All funds, including program income, reimbursed for this activity prior to the termination shall be returned to the Department no less than thirty (30) days from the written notification of termination.
- 2) Failure to meet any given subsequent milestones identified in Exhibit E, may result in loss of program eligibility and will restrict the Grantee from applying for additional CDBG funding until the activity is corrected and put back on schedule, or the activity is completed, or the activity is canceled.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT A

- 3) Any milestone or deadline except the first milestone, the final activity report milestone, and the expenditure deadline may be revised administratively with the approval of the Department without incurring penalty, provided the revision request is received in advance of the original milestone due date.

D. Scope of Work Revisions and Amendments

- 1) Contract Revisions: Adjustments to the Scope of Work that do not require an increase or reduction of activity scope, a change in National Objective, or a change in the type of beneficiaries assisted may be completed as a Contract Revision. Contract Revisions must be approved by the Department prior to implementation. If approved, contract revisions shall automatically be deemed a part of, and incorporated into, this Agreement. Approval shall be provided either through the online grant management system, or in writing, as appropriate. Contract Revisions shall include but not be limited to:
 - a) Adjustments that itemize the scope of work, revise milestone deadlines, except for first and last milestones, and change the scope of work in a manner that does not change the overall budget, National Objective, or change type or reduce count of estimated beneficiaries.
 - b) Adjustments that increase the estimated number of beneficiaries without increasing or decreasing the scope of work and without changing the overall budget.
- 2) Contract Amendments: Adjustments to the Scope of Work that require an increase or a reduced scope of work, that change the National Objective, or that change the type or reduces the number of beneficiaries assisted shall require a Contract Amendment. Contract Amendments must be fully executed by both the Grantee and the Department prior to implementation. Adjustments may not be implemented prior to execution unless the Department has provided written notice authorizing the Grantee to proceed. Contract Amendments shall include but not be limited to:

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT A

- a) Adjustments that either add scope beyond what was included in the original application, or that reduce scope such that the activity is materially different from the original application, or that reduce estimated beneficiary counts.
- b) Adjustments that change the scope in a manner that requires a change to awarded activity budget, including adding funds from other State CDBG funded activities, adding Program Income, and reducing funds from either State CDBG awarded funds or Program Income.
- 3) HUD Matrix Codes: If HUD changes an activity matrix code(s) or if there is an error in recording the activity code, the Grantee shall be notified in writing and the correction shall not require an amendment to this Agreement.

E. State CDBG Program Contract Management

- 1) Department Contract Manager: For purposes of this Agreement, the State CDBG Program Contract Manager for the Department is the Program Manager(s) of the State CDBG Program in the Division of Federal Financial Assistance, or such person's designee. Written communication regarding this Agreement shall be directed to the State CDBG Program Contract Manager at the following address*:

State CDBG Program Contract Manager
Division of Financial Assistance
Department of Housing and Community Development
P.O. Box 952054
Sacramento, California 94252-2054
Ph: (916) 890-6819
Email: CDBG@hcd.ca.gov

**Due to the telework policy in place for the State of California communications should be done electronically to ensure timely response.*

- 2) Contract Management: Day-to-day administration of this Agreement shall take place through the online grant management system, including but not limited to:

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT A

- a) Financial Reports (Funds Requests);
 - b) Activity Reports;
 - c) Semi-Annual Reports;
 - d) Annual Reports;
 - e) Submittal of any and all requested supporting documentation;
 - f) Standard Agreement Revisions (non-material contract changes);
and,
 - g) Standard Agreement Amendments (material contract changes).
- 3) **Grantee Contract Administrator:** The Grantee's Contract Administrator (must be a Grantee employee) is identified in Exhibit E, Profile. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be directed to the Grantee's Contract Administrator at the contact information identified in Exhibit E, Profile. Written communication shall be directed to the Grantee's Contract Administrator as identified in the Grantee Profile as referenced in Exhibit E.
- 4) **Capacity to Contract:** Contractor has the capacity and authority to fulfill the obligations required of it hereunder and nothing prohibits or restricts the right or ability of Contractor to carry out the terms hereof.
- 5) **Authority to Execute:** Each person executing this Agreement represents and warrants to the Department that he or she is duly authorized to execute and deliver this Agreement on behalf of the Contractor, and that such authority is evidenced by a binding authorization. The person executing this Agreement, and the Contractor, acknowledge that the Department is materially relying upon the foregoing representation and warranty in agreeing to enter into this Agreement. In the event of a defect in any resolution submitted to the Department in connection herewith, then this provision shall be deemed satisfactory and admissible evidence of the authority of the signer to bind Contractor to this Agreement and Contractor shall remain fully bound to the terms hereof. In the event the Department

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT A

determines in its sole discretion that a resolution submitted by the Contractor is deficient in any way, then within thirty (30) days of the Department's request, Contractor shall resubmit a new resolution which is satisfactory to the Department. Failure by the Contractor to timely provide such resolution to the Department shall constitute a default under this Agreement.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Budget

- A. Budget Detail: The activity shall follow the budget as detailed in Exhibit E.
- B. Program Income: All Program Income is state administered CDBG funding and is subject to the same federal requirements for financial administration as open grant awards. Program Income, including both cash-on-hand and future projected receipts, if identified as a funding source for any given activity, must be included in the activity budget and must be substantially expended prior to drawing grant award funds. Program Income must be identified separately from grant funds in the activity budget and must be broken out into activity and general administration funding, as applicable. The Department will not encumber locally administered Program Income against NOFA grant funds in the state's accounting system. Only new grant awards made under a NOFA or in conjunction with an Urgent Need application will be encumbered in the state's accounting system.

Funding in this Agreement may include either or both:

- 1) the total new grant award from the NOFA to be encumbered by the Department from grant funds,
 - 2) total locally held Program Income to be included in the activity budget but that will **not** be encumbered by the Department. This Agreement is for the sum total of funds to be used in the activity including grant funds and Program Income, as applicable. Program Income receipts must be reported no less than quarterly.
- C. Other Non-State CDBG Funding Sources: The Grantee shall report on the value of other contributions included as leverage for each activity via the Financial Reports narrative section required for such activity and provide supporting documentation. The Financial Reports shall be accessed through the online grant management system and are the reports which convey the information needed to complete financial transactions in HUD's Integrated Disbursement and Information System (IDIS).

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT B

2. Availability of Funds

The Department's provision of funding to Grantee pursuant to this Agreement is contingent on the continued availability of CDBG funds and continued federal authorization for CDBG activities, as well as the conditions set forth in Exhibit D, Section 33. The Department's provision of funding is subject to amendment or termination due to lack of funds or authorization. This Agreement is subject to written modification or termination as necessary by the Department in accordance with requirements contained in any future state or federal legislation and/or state or federal regulations. All other modifications must be in written form and approved by both parties.

3. Eligible Costs

- A. No activity costs may be incurred, or funds reimbursed until the Grantee has documented compliance with the applicable National Environmental Policy Act (NEPA) requirements established in 24 CFR 50, 24 CFR 58, and 42 USC 4321, et seq., and an authorization to incur costs from the Department has been received or the contract has been fully executed.
- B. Allowable Costs: Allowable costs shall mean those necessary and proper costs under 2 CFR 200.400 through 475, and as identified in the Grantee's application and as detailed in Exhibit E, and as approved by the Department unless any or all such costs are disallowed by the State of California or HUD. Allowable costs include necessary and proper activity and administration costs incurred prior to the execution of this Agreement. All costs incurred prior to the execution of this Agreement must be eligible to be considered allowable and suitable for reimbursement. Eligible costs must, at a minimum, be costs incurred according to the procurement requirements of 2 CFR 200.317, et seq. and be costs required for the activity in this Agreement to meet a National Objective.
- C. Priority of Funds: The Grantee agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available. To the extent available, the Grantee must disburse funds available from locally held funding CDBG grant resources such as, but not limited to Program Income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments from the grant award.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT B

- D. **Withholding Funds:** The Department reserves the right to withhold payments pending timely delivery of program reports or documents as may be required under this Agreement. Payments are contingent upon the Grantee's financial management system meeting the requirements of 2 CFR 200.302, and the internal control requirements of 2 CFR 200.303. Payment may be suspended or terminated, in whole or in part, by the Department in its sole discretion in the event of a default by Grantee.
- E. **Disencumbering Funds:** The Grantee agrees that funds determined by the Department to be surplus upon completion of the activity, the funds that are not able to be spent in their entirety prior to the Expenditure Deadline or that have not been drawn prior to the Contract Expiration Date will be subject to disencumbrance by the Department in its sole and absolute discretion.
- F. **Indirect Costs:** If Grantee wishes to charge for indirect costs, the Grantee must develop an indirect cost allocation plan for determining the appropriate CDBG share of such indirect costs and submit such plan to the Department for approval prior to submission of requests for any payments for the indirect cost expenditures.
- G. **Pre-Agreement Costs:** Pre-Agreement Costs are eligible costs incurred prior to the award of funds as defined in Exhibit D, Section 1. Eligible Pre-Agreement costs as identified in Exhibit E, Project Budget, may only be reimbursed upon the full execution of this Agreement and verification that the costs meet all eligibility criteria. Pre-Agreement costs may include both activity delivery and general program administration.

The Grantee agrees that any Pre-Agreement costs **not** previously identified in Exhibit E, Project Budget, will **not** be paid with CDBG funds.

4. **Method of Payment**

The Department will not authorize payments unless it has determined the costs incurred are in compliance with the terms of this Agreement. Payments will be issued to the agency identified on the Taxpayer Identification Form (TIN) provided by the Grantee to the Department.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT B

- A. **Reimbursements:** The Department will reimburse the Grantee its allowable costs for the services identified in this Agreement in Exhibit E, upon presentation of a financial reporting form, and supporting documentation of the cost eligibility. The Grantee may not request reimbursements under this Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount documented as having been incurred.
- 1) To receive reimbursement for grant activities, including reimbursement for eligible Pre-Agreement costs, the Grantee must submit all Department required forms according to the applicable deadlines. Financial Reports and Activity Reports are due no less than quarterly, within 15 days of the end of the quarter. Financial Reports and Activity Reports may be submitted more frequently at the Grantee's discretion. Financial Reports shall include the level of documentation specified by the Department, including proof of expenditure, and proof of cost eligibility. Grantees must submit documentation supporting cost amounts and cost eligibility with each funds request as part of the Financial Report.
 - 2) Grantees shall submit Financial Reports (funds requests) no less than quarterly. If no funds have been expended, the Grantee shall provide a detailed description of work completed during the reporting period, an explanation of why no funds have been expended, and anticipated date when a funds will next be requested
- B. **Advances:** The Grantee must receive prior written approval from the Department before submitting an advance request. All advances are subject to the Department's consent, which may be given or withheld on its sole discretion. No advances will be issued prior to full Agreement execution.
- C. **Final Payment Requests:**
- 1) **Grantees on the Reimbursement Payment System:** All requests for final reimbursement must be submitted no later than sixty (60) days after the Expenditure Deadline as defined in Exhibit A, Section 4 (B) of this Agreement.
 - 2) **Grantees on the Advance Payment System:** The last advance payment must be submitted to the Department no later than sixty (60) days prior to

Program Name: Community Development Block Grant (CDBG)

NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022

Approved Date: 04/20/2023

Prep. Date: 6/1/2023

EXHIBIT B

the Expenditure Deadline of this Agreement.

- 3) **Return of Unexpended Funds:** All funds received by the Grantee but not expended by the Expenditure Deadline must be accounted for and returned to the Department within thirty (30) days after the Expenditure Deadline. Funds shall be returned in accordance with the current State procedural guidance for grantees. All returned funds will be disencumbered.
- 4) **All Funds Not Previously Requested:** If the final funds disbursement request for costs expended during the term of this Agreement has not been received by the Department within 60 days following the Expenditure Deadline as defined in Exhibit A, Section 4 (B) of this Agreement, the Department may disencumber any funds remaining and grant funds will no longer be available for the Grantee.

5. **Budget Revisions and Amendments**

Budget line-item adjustments may be made in accordance with the following:

- A. **Budget Revisions:** Adjustments to the Budget that do not require an increase or reduction of total activity budget, a change in National Objective, or a change in the type or a reduction in number of beneficiaries assisted may be completed as a Budget Revision. Budget Revisions shall include but not be limited to:
 - 1) Adjustments that reallocate funds between budget line items, including between General Administration funding, activity funding, and Program Income resources, including both Program Income cash on hand, and Program Income projected receipts, but that otherwise does not change the overall budget total, the scope of work, the National Objective, and type and count of estimated beneficiaries. Reallocations involving General Administration funding are subject to applicable General Administration caps identified in the Notice of Funding Availability.
 - 2) Adjustments that increase or decrease the detail included in the submitted lined item budgets, including adding and removing budget line items, without increasing or decreasing the scope of work and without changing the overall budget.

Budget Revisions must be approved by the Department prior to implementation. Approval shall be provided either through the online grant management system, or in writing, as appropriate. If approved, Budget Revisions shall automatically be deemed a part of, and incorporated into, this Agreement.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT B

- B. Budget Amendments: Adjustments to the Budget that result in an increased or a reduced total activity budget shall require a Contract Amendment. Contract Amendments must be fully executed by both the Grantee and the Department prior to implementation. Adjustments may not be implemented prior to execution unless the Department has provided written notice authorizing the Grantee to proceed.

6. Grant Closing Requirements

A. Expenditure Deadline:

- 1) All costs to be reimbursed with Program funds must be incurred no later than 33 months (two (2) years and nine (9) months) from the final Department execution date of this Agreement as identified on the STD 213.

The Final Financial Report for the activity must be marked final and submitted within sixty (60) days following the Expenditure Deadline as defined in Exhibit A, Section 4 (B). Financial Reports submitted after this date will not be eligible for reimbursement.

B. Closeout Procedure: The Grantee must submit the following at the completion of the activity:

- 1) A Final Activity Report that includes all required reporting data for the activity;
- 2) A filed Notice of Completion (if applicable);
- 3) Evidence, satisfactory to the Department, of compliance with any and all other Special Conditions of this Agreement as set forth in Exhibit E hereto;
- 4) Proof of publication of public hearing/meeting that shows compliance with public participation requirements to report the closure of the grant and the results of the completed activity;
- 5) Close out Certification Form signed by the Grantee's authorized signer;
- 6) Project Completion Report; and
- 7) Disencumbrance of Funds form (if applicable).

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT B

If the Grantee identified an extended reporting period will be required to meet the National Objective for the activity in the Application, the above closeout requirements shall be submitted upon the completion of the activity, or within twenty-four (24) months after the Contract Expiration Date, whichever comes first. If no extended reporting period is required, the above closeout requirements shall be submitted upon the completion of the activity or no later than the Contract Expiration Date. Upon receipt of the above documentation, the Department will close out this Agreement and finalize the activity in IDIS for final reporting to HUD.

- C. Ongoing Reporting: Grants that have been closed may, as applicable, have continued reporting requirements, including Program Income reporting, performance reporting, beneficiary reporting, asset reporting, and other federally required reports as identified in Exhibit D, Section 22.

EXHIBIT D

CDBG PROGRAM TERMS AND CONDITIONS

Federal Grant Identification

CFDA Number: 14.228

1. Definitions

- A. "Activity" means one of the following HUD eligible activities as per 42 U.S.C. 5305.
- 1) Acquisition (§ 5305 (a)(1))
 - 2) Public Improvements (§ 5305 (a)(2))
 - 3) Public Facilities (§ 5305 (a)(2) and (5))
 - 4) Code Enforcement (§ 5305 (a)(3))
 - 5) Housing Rehabilitation (§ 5305 (a)(4))
 - 6) Public Services (§ 5305 (a)(8))
 - 7) Planning and Technical Assistance (Section 105(a)(12), (14) and (19))
 - 8) Business Financial Assistance (§ 5305 (a)(17))
 - 9) Microenterprise Assistance (§ 5305 (a)(22))
 - 10) Homeownership (§ 5305 (a)(24))
- B. "Activity Budget" means the budget included in Exhibit E, Project Budget, as referenced by Exhibit B, Budget Detail, and Payment Provisions.
- C. "Activity Delivery" (AD) means any reasonable and necessary costs that are not directly related to labor and/or direct construction and/or direct activity implementation costs. These costs must be cost reasonable and directly tie to the completion of the activity to meet a National Objective.
- D. "Activity Reports" are the activity reports that must be submitted at least quarterly that describe program or project progress and/or beneficiaries served during a given reporting period.
- E. "Department" means the California Department of Housing and Community Development.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

- F. "Funds Request" is also identified as a Financial Report and refers to the forms and processes required to request the drawdown of CDBG funds. Grantees shall submit Financial Reports (funds requests) no less than quarterly. If no funds have been expended, the Grantee shall provide a detailed description of work completed during the reporting period, an explanation of why no funds have been expended, and anticipated date when funds will next be requested.
- G. "General Administration" refers to eligible administrative expenses as provided in 42 U.S.C. 5305(a)(13).
- H. "Grantee" means the jurisdiction that applied for CDBG funding and has legal authority to sign this Agreement and commit to compliance with all federal requirements regarding the administration of federal funds, as identified in 2 CFR 200.
- I. "Pre-Agreement Costs" are pre-award costs as defined at 2 CFR 200.458 and 24 CFR 570.489(p) and are costs that are eligible per 2 CFR 200.400 et.seq. that have been itemized on the approved activity budget as identified in Exhibit E, Project Budget, as referenced by Exhibit B, Budget Detail and Payment Provisions.
- J. "Program" means an eligible activity that provides direct assistance to eligible participants within a defined service area. Programs include public services, housing assistance to households, and instances where an eligible person, household, or area is directly assisted with a unit of service.
- K. "Program Guidelines" means the CDBG Program Guidelines adopted in October 2019 that replaced the California state regulations regarding the operation of the State CDBG program, as per Health and Safety Code 50826.1(a) that states that the regulations are repealed upon adoption of guidelines.
- L. "Program Income", as defined in 24 CFR 570.489(e), means gross income received by the Grantee that is directly generated from the use of CDBG funds. When such income is generated by an activity that is only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

- M. "Project" means eligible capital improvements to public facilities, infrastructure, assets, and right-of-way. Projects may also include eligible capital improvements to privately owned facilities, infrastructure, and assets that serve the public or that provide a public good, including shelters, community-based facilities, and utilities.

2. Eligible Activities

Grantee will only use funds under this Agreement for the activity identified in Exhibit E. All activities must be eligible CDBG activities as authorized under 42 U.S.C. 5305 and 24 CFR 570.482.

3. National Objectives

Grantee will only use funds in support of the National Objective identified in Exhibit E. All CDBG funded grant activities must meet a National Objective as defined in 42 U.S.C. 5304(b)(3), as amended, and 24 CFR Part 570.483.

Real Property acquired in whole or in part with CDBG funds must be used to meet the same National Objective for which it was purchased for no less than five years from the date of acquisition. The Department may require a Use Restriction Agreement be recorded against real property acquired or improved in whole or in part with CDBG funds.

4. Termination and Remedies for Noncompliance

Awards as secured by this Agreement may be terminated by the Department in whole or in part as per federal regulation at 2 CFR 200.339. All terminations shall include written notification setting forth the reason(s) for such termination, the effective date, and the portion to be terminated in the case of partial terminations and will follow termination notification requirements identified in 2 CFR 200.340.

- A. Termination without Cause: Agreements may be terminated without cause in whole or in part by the Department **only** with the consent of the Grantee. In the case of a whole agreement termination, the two parties shall agree upon termination conditions, including the effective date. In the case of partial termination, the two parties shall agree upon termination conditions, including the portion to be terminated and the effective date.

EXHIBIT D

- B. Noncompliance and Termination with Cause:** The Department may terminate this Agreement for Grantee's failure to comply with the terms and conditions of this Agreement. Terminations for material failure to comply with the Agreement terms and conditions must be reported by the Department to the appropriate federal program integrity and performance system accessible through the System for Award Management (SAM) as per 2 CFR 200.339(b).
- 1) The Department may initiate remedies for noncompliance as identified in 2 CFR 200.338 at any time it has been determined that the Grantee is no longer meeting the terms and conditions of this Agreement. Remedies for noncompliance may be required in addition to, in lieu of, or prior to termination.
 - 2) Prior to terminating this Agreement for cause or noncompliance, the Department shall submit written notice specifying noncompliance and/or specifying the event or events that if not cured would constitute an event of default. The Department's written notice shall identify remedies for cure. Grantee shall have thirty (30) calendar days from receipt of notice to fully cure. This period may be extended at the Department's discretion for a reasonable period of time if the Grantee is acting in good faith to cure the noncompliance or cause. Any extension of the cure period must be communicated in writing by the Department.
 - 3) The Department's remedies for Grantee's noncompliance with a federal statute or regulation, a state statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere may include, as appropriate:
 - a) Temporarily withhold cash payments pending correction of the deficiency by the Grantee.
 - b) Disallow (that is, deny use of funds) all or part of the cost of the activity or action not in compliance.
 - c) Wholly or partly suspend or terminate the current award for the Grantee's program or project, as applicable.
 - d) Withhold further and/or future awards of CDBG funds.
 - e) Request that HUD initiate federal suspension debarment proceedings.

Program Name: Community Development Block Grant (CDBG)

NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022

Approved Date: 04/20/2023

Prep. Date: 6/1/2023

EXHIBIT D

- f) Take other remedies that may be legally available, including, but not limited to:
 - g) In the case of costs incurred without meeting a National Objective, require repayment of all funds reimbursed, including General Administration, Activity Delivery, and any and all Program Income, as appropriate.
- 4) In taking an action to remedy noncompliance, the Department will provide the Grantee an opportunity for such hearing, appeal, or other administrative proceeding to which the Grantee is entitled under any statute or regulation applicable to the action involved as per 2 CFR 200.341.
- C. Effects of Suspension and Termination: Grantee costs resulting from obligations incurred by the Grantee or any of the Grantee's contractors, subrecipients, or subgrantees during a suspension or after termination of an Agreement are not allowable unless otherwise authorized by the Department in written notice or as allowable in 2 CFR 200.342. Termination and remedies for noncompliance identified in this Section do not preclude a Grantee or any of the Grantee's contractors, subrecipients, or subgrantees from being subject to non-procurement debarment and suspension requirements at 2 CFR 2424. CDBG funds may not be provided to excluded or disqualified persons pursuant to 24 CFR 570.489(l).
- D. Remedies: All remedies of the Department hereunder are cumulative and not exclusive.

5. Severability

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Grantee shall notify the Department immediately of any claim or action undertaken by or against it which affects or may affect this Agreement or the Department and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

6. Waivers

No waiver or any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the Department to enforce, at any time, the provisions of this Agreement or to require, at any time, performance by the Grantee of these provisions shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

7. Uniform Administrative Requirements

The Grantee, its agencies or instrumentalities, and Subgrantees shall comply with the policies, guidelines and Administrative Requirements of 2 CFR Part 200 et seq., as applicable, as they relate to the cost principles, audit requirements, acceptance and use of federal funds.

- A. Single Audit Compliance: Funds will not be disbursed to any Grantee identified by the State Controller's Office (SCO) as non-compliant with the Federal Single Audit Act, as described in the Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards at 2 CFR 200 Sub-Part F. No funds may be disbursed until compliance with the Uniform Administrative Requirements is demonstrated to the satisfaction of the Department.
- B. Accounting Standards: Grantee agrees to comply with, and administer the activity in conformance with, 2 CFR Part 200.300 et seq, and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.
- C. Suspension and Debarment: By executing this Agreement, Grantee verifies and affirms that it has not been suspended or debarred from participating in or receiving federal government contracts, subcontracts, loans, grants or other assistance programs.

8. Compliance with State and Federal Laws and Regulations

- A. Grantee, its agencies or instrumentalities, contractors, sub-grantees, and subrecipients shall comply with all local, state, and federal laws, statutes, and regulations, as well as policies and guidelines established by the Department for the administration of the CDBG program.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

- B. Grantee shall comply with the requirements of 24 CFR 570.480 et seq., the Housing and Urban Development (HUD) regulations concerning State administered Community Development Block Grants, 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Guidance, as adopted by HUD at 2 CFR 2400, Title II of the Cranston-Gonzales National Affordable Housing Act (42 U.S.C. § 12701 et seq.) and all federal regulations and policies issued pursuant to these regulations. The Grantee further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

9. Affirmatively Furthering Fair Housing

Grantee shall affirmatively further fair housing, in accordance with the Civil Rights Act of 1964 (42 U.S.C 2000a, et seq.), and the Fair Housing Act (42 U.S.C. 3601, et seq.), according to 42 U.S.C. 5306, et seq. and in compliance with California statute (Gov. Code sections 65583, et seq.). Grantee shall comply with the Fair Housing Amendment Act of 1988 (Public Law 100-430).

10. Equal Opportunity Requirements and Responsibilities

Grantee agrees that it undertakes hereby the same obligations to the Department that the Department has undertaken to HUD pursuant to the Department's CDBG certifications. The obligations undertaken by Grantee include, but are not limited to, the obligation to comply with all applicable federal laws and regulations described in Subpart K of 24 CFR Part 570 and specifically with each of the following:

- A. The Housing and Community Development Act of 1974 (Public Law 93-383) that authorized the CDBG program, as amended, and legislative changes contained in the Housing and Urban-Rural Recovery Act of 1983 that authorized the state administered CDBG program for non-entitlement communities, and the Architectural Barriers Act of 1968 (42 U.S.C. Section 4151) that requires publicly funded facilities be accessible to the public;
- B. Title VI of the Civil Rights Act of 1964 (Public Law 88-352) prohibiting discrimination based on protected class, as amended, Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) prohibiting discrimination in housing, as amended; the Civil Rights Restoration Act of 1987 (Public Law 100-259) requiring expanded compliance with civil rights laws for jurisdictions receiving federal funding; Section 104(d) regarding relocation and displacement and Section 109 of Title 1 of the Housing and Community Development Act of 1974

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

prohibiting discrimination in CDBG funded programs, as amended; Section 504 of the Rehabilitation Act of 1973 prohibiting recipients of federal funds from discrimination against persons with disability; the Americans With Disabilities Act of 1990 prohibiting all public discrimination against persons with disabilities; the Age Discrimination Act of 1975 prohibiting age-based discrimination in federally funded activities; Executive Order 11063 prohibiting discrimination in disposition of properties owned or financed with federal funds, as amended by Executive Order 12259; and Executive Order 11246 regarding fair employment, as amended by Executive Orders 11375, 11478 and 12086; and HUD regulations heretofore issued or to be issued to implement these authorities relating to civil rights;

- C. The Equal Employment Opportunity Act of 1972 that created the Equal Employment Opportunity Commission, Equal Employment Opportunity and Affirmative Action requirement (EEO/AA); Grantee shall, in all solicitations or advertisements for employees placed by or on behalf of the Grantee, state that it is an Equal Opportunity or Affirmative Action employer.
- D. Affirmative Outreach:
 - 1) Contractor or its Service Providers must make known that the use of the facilities, assistance, and services are available to all on a Nondiscriminatory basis. If it is unlikely that the procedures the Contractor or its service providers intend to use to make known the availability of its facilities, assistance, and services will reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability, who may qualify for those facilities and services, the Subrecipient or its service providers must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services.

Contractor subrecipients or its Service Providers must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, Subrecipients and Service Providers are also required to take reasonable steps to ensure meaningful access to programs and activities for Limited English Proficiency (LEP) persons.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

E. Equal Access for Disabilities

- 1) Contractors must provide a language access plan that makes appropriate accommodations for LEP interpretive services and services that support the visually impaired as required by Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC Section 794 (contractors receiving federal financial assistance), in conjunction with section 508 of the Rehabilitation Act of 1973, as amended, 29 USC Section 794d (created the U.S. Access Board to regulate websites, electronic information and communication technology (EICT) accessibility); Section 255, of the Communications Act of 1934, as amended; 24 CFR Part 8, including sections 8.3 and 8.4; and 36 CFR Part 1194, 36 CFR §§ 1194.1, 1194.2, and Appendices B and C to Part 1194 (accessibility standards for disabled to communication technology); see U.S. Access Board website;
- 2) The California State Department of Rehabilitation maintains an Assistive Technology website with resources for services to achieve compliance with recognized standards for non-discriminatory accessibility.

11. **Relocation, Displacement, and Acquisition**

Grantee shall comply with the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, in 24 CFR Part 42, 49 CFR Part 24, and 42 U.S. §5304(d) as they apply to the performance of this Agreement. Grantee agrees to comply with 24 CFR 570.606 relating to the acquisition and disposition of all real property utilizing grant funds and to the displacement of persons, businesses, non-profit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds.

12. **The Training, Employment, and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance (Section 3):**

The Grantee and any of its Subrecipients and/or Contractors shall comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulation at 24 CFR, Part 75. The responsibilities outlined in 24 CFR Part 75.19 include:

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

- A. Implementing procedures designed to notify Section 3 workers about training and employment opportunities generated by Section 3 covered assistance and Section 3 business concerns about contracting opportunities generated by Section 3 covered assistance.
- B. Notifying potential Contractors for Section 3 covered projects of the requirements of Part 75, Subpart C and incorporating the Section 3 clause set forth below in all solicitations and contracts in excess of \$100,000 as required at 24 CFR 75.27.

Section 3 Clause

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

The parties to this contract agree to comply with HUD's regulations in 24 CFR. Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

The contractor acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

The contractor agrees to submit, and shall require its subcontractors to submit to them, annual reports detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 workers and Targeted Section 3 workers.

- C. Facilitating the training and employment of Section 3 workers and the award of contracts to Section 3 business concerns by undertaking activities such as described in 24 CFR Part 75.25(b), as appropriate, to reach the goals set forth in 24 CFR Part 75.23 and in Federal Register Vol. 85, No. 189, page 60909, until superseded by HUD in a subsequent publication. As of September 29, 2020, the minimum Section 3 benchmark is twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers.

Documenting actions taken to comply with the foregoing requirements, the results of those actions taken and impediments, if any.

EXHIBIT D

13. Environmental Compliance

- A. Grantee shall comply with the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, *et seq.*, as amended, and 33 U.S.C. § 1318 relating to inspection, monitoring, entry, reports, and information, and all regulations and guidelines issued thereunder.
- B. Grantee shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. 7401, *et seq.*
- C. Grantee shall comply with Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50 regarding air quality protections, as amended.
- D. Grantee shall comply with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. §4001). Grantee shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, that flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).
- E. Grantee shall comply with the requirements of the Residential Lead-Based Paint Hazard Reduction Act of 1992 and Section 401(b) of the Lead-Based Paint Poisoning Prevention Act of 1971. Grantee agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR §570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be required.
- F. Grantee shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), the Archaeological and Historical Preservation Act of 1974 (Public Law 93-291), and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

apply to the performance of this agreement. Grantee shall also comply with federal Executive Order 11593 on the protection and enhancement of the cultural environment. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a federal, state, or local historic property list.

- G. Grantee shall comply with all National Environmental Policy Act (NEPA) requirements as applicable to the performance of this Agreement as found in 24 CFR Part 50, 24 CFR Part 58, as applicable, and 40 CFR Parts 1500 – 1508. The CARES Act provides that CDBG-CDBG funds may be used to cover or reimburse allowable costs of eligible activities to prevent, prepare for, and respond to coronavirus incurred by a Grantee after January 21, 2020. However, Grantee shall not execute this Agreement nor receive reimbursement for pre-agreement eligible activity costs until they have successfully documented compliance with the applicable NEPA requirements, including public noticing and publishing.

This Agreement does not constitute a commitment of funds or site approval, and the commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the Grantee of an approval of the request for release of funds and certification from the Department under 24 CFR Part 50, 24 CFR Part 58, and 40 CFR 1500 - 1508. The provision of any funds to the project is conditioned on the Grantee's determination to proceed with, modify or cancel the project based on the results of the environmental review. The Grantee will not receive appropriate notice to proceed until they have successfully documented compliance with the applicable NEPA requirements, including public noticing and publishing.

14. Procurement

The Grantee shall comply with the procurement provisions in 2 CFR Part 200.317 – 200.326, Procurement Standards, as well as all other Administrative Requirements for Grants and Cooperative Agreements to state, local and federally recognized Indian tribal governments as set forth in 2 CFR 200, et al, as applicable.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

15. Procurement of Recovered Materials

- A. Grantee and the Grantee's contractors shall comply with Section 6002 of the Solid Waste Disposal Act of 1965, as amended by the Resource Conservation and Recovery Act. The Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, unless the Contractor determines that such items:
- 1) are not reasonably available in a reasonable period of time;
 - 2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or
 - 3) are only available at an unreasonable price.
- B. This clause shall apply to items purchased under this Agreement or subsequent contract where:
- 1) the Contractor purchases in excess of \$10,000.00 of the item under this Agreement; or
 - 2) during the preceding federal fiscal year, the Contractor:
 - a) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and
 - b) purchased a total of in excess of \$10,000.00 of the item both under and outside that contract.

16. Contracting and Labor Standards

- A. Grantee shall comply with the Davis-Bacon Act (40 U.S.C. §§ 3141-3148) and 29 CFR Subtitle A, Parts 1, 3 and 5, as applicable, to construction, alteration, and repair contracts over \$2,000.00.

EXHIBIT D

- B. Grantee shall ensure that all contracts comply with the Anti-Kickback Act of 1986 (41 U.S.C. §§ 51-58) that prohibits attempted as well as completed "kickbacks," which include any money, fees, commission, credit, gift, gratuity, thing of value, or compensation of any kind.
- C. Grantee shall ensure all contracts comply with the Contract Work Hours and Safety Standards Act of 1962 (40 U.S.C. § 3702) which requires that workers receive overtime compensation at a rate of one and one-half (1-1/2) times their regular hourly wage after they have worked forty (40) hours in one week.
- D. Grantee shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Department for review upon request.

17. Prevailing Wages

- A. Where funds provided through this Agreement are used for construction work, or in support of construction work, the Grantee shall ensure that the requirements of California Labor Code, Chapter 1, commencing with Section 1720, Part 7 [California Labor Code Sections 1720-1743] (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are met.
- B. Where funds provided through this Agreement are used for construction work or in support of construction work, the Grantee shall also ensure that the federal requirements of the Davis Bacon Act codified at 40 U.S.C. 3141, et seq. (as amended), pertaining to federal labor standards and compliance, are met and documented. Grantee recognizes that multiple labor standards (both state prevailing wage and federal Davis-Bacon Act) may apply to the project and both standards must be satisfied.
- C. For the purposes of this requirement "construction work" includes, but is not limited to, rehabilitation, alteration, demolition, installation or repair done under contract and paid for, in whole or in part, through this Agreement. All construction work shall be done through the use of a written contract with a properly licensed building contractor incorporating these requirements (the "construction contract"). Where the construction contract will be between the Grantee and a licensed building contractor, the Grantee shall serve as the "awarding body" as that term is defined in the California Labor Code. Where the Grantee will provide funds to a third party that will enter into the construction

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

contract with a licensed building contractor, the third party shall serve as the "awarding body." Prior to any disbursement of funds, including but not limited to release of any final retention payment, the Department may require a certification from the awarding body that prevailing wages have been or will be paid.

- D. The applicable wage rate determination on construction work will be the more restrictive of the rate prescribed in the California Labor Code Sections 1770-1784, or the Davis-Bacon Wage Determination.

18. Contractors and Subrecipients

- A. Grantee shall comply with 24 CFR Part 2424 and shall not enter into any agreement, written or oral, with any contractor or subrecipient without the prior determination that the contractor or subrecipient is eligible to receive CDBG funds and is not listed on the Federal Consolidated List of Debarred, Suspended, and Ineligible Contractors.
- B. Any agreement between the Grantee and any contractor or subrecipient shall include the terms and conditions in Appendix II of 2 CFR 200.
- C. Grantee shall ensure that any contract or subrecipient agreement includes clauses requiring the maintenance of workers' compensation insurance, as applicable, as well as general liability insurance. Contract or subrecipient agreements must require that the Grantee is notified in the event that any required insurance is canceled, expired, or otherwise invalidated during the performance period of the contract or subrecipient agreement.
- D. Grantee shall require that contractors and subrecipients comply with the Drug-Free Workplace Act of 1988.

19. Requirements for Economic Development Activities

- A. Public Benefit Standards for Economic Development Activities: Per 24 CFR 570.482 (e) (f), (g) and 570.483(b)(4), the Grantee must comply with federal underwriting standards and must meet the public benefit standards for all CDBG Economic Development activities under 42 U.S. §5305(a)(17). The use of public benefit standards is mandatory.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

- B. Anti-Job Pirating Certification: Pursuant to 24 CFR 570.482(h) CDBG funds may not be used to directly assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one labor market area to another labor market area if the relocation is likely to result in a significant loss of jobs in the labor market area from which the relocation occurs. Job loss of more than 500 employees is always considered significant. Job loss of 25 or fewer positions is never considered significant.

20. Rights to Inventions Made Under a Contract or Agreement

Grantee shall comply with and require the following in contracts and subrecipient agreements: If a Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of recipient or subrecipient must comply with requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulation issued by the awarding agency.

21. Prohibition Against Payments of Bonus or Commission

The assistance provided under this Agreement shall not be used in the payment of any bonus or commission for the purpose of:

- A. Obtaining the Department's approval of the Application for such assistance or additional assistance; or,
- B. Securing any other approval or concurrence of the Department required under this Agreement, Title I of the Housing and Community Development Act of 1974, or the State regulations or Program Guidelines with respect thereto; provided, however, that reasonable fees for bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.

22. Reporting Requirements

- A. Requirements: During the term of this Agreement, the Grantee must submit all CDBG program reports required by the Department, including quarterly activity, financial, and Program Income reports, semi-annual labor and compliance reports, annual performance reports, and other reports required by the Department or HUD. The Department reserves the right to request additional

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

detail and support for any report made. Reports must be made according to the dates identified, unless otherwise specified at the discretion of the Department. The Grantee's performance under this Agreement will be evaluated in part on whether it has submitted the reports on a timely basis.

- B. Reporting Period: Grantee shall submit reports quarterly, and as required for semi-annual and annual reports, and shall continue to submit reports until such time that the activity is complete, a National Objective has been met and beneficiaries have been identified. The reporting period for this activity may extend beyond the Contract Expiration Date as defined in Exhibit A.
- C. Final Activity and Financial Reporting Deadline: Grantee shall complete by deadlines shown in Exhibit B Section 6 "Grant Closing Requirements".
- D. Asset Reporting: Grantee shall report annually on the status of all assets (real and personal property, equipment, and vehicles) purchased in whole or in part with CDBG funds for no less than five years from the completion of the activity that generated the asset. Reporting shall continue until the property is disposed, fully depreciated, or, in the event of real property, the five-year commitment to a National Objective has been completed.

23. Fiscal Controls

Grantee shall be responsible for the internal control and monitoring of fiscal and programmatic/operational goals and procedures. The Grantee shall establish and maintain such fiscal controls and fund accounting procedures as required by federal regulations, or as may be deemed necessary by the Department to ensure the proper disbursement of, and accounting for, funds paid to the Grantee under this Agreement.

- A. Deposit of Funds: Grantee shall maintain separate accounts within established bookkeeping systems for the deposit of CDBG funds. All cash advances must be deposited in an interest-bearing account; any interest earned in excess of \$100.00 per year (which may be retained for related administrative expenses) must be returned at least quarterly to HUD via the Department. Deposits in minority banks are encouraged.
- B. Fund Management: Grantee shall deposit funds in an account requiring two signatures for disbursement;
- C. Fiscal Liability: Grantee shall be liable for all amounts which are determined to be due by the Department including, but not limited to, disallowed costs which are

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

the result of Grantee's or its contractor's conduct under this Agreement. Grantee shall be notified in writing and shall be permitted to respond regarding any controversy or proceeding between the Department and HUD arising from this Agreement.

- D. Fiscal Records: All financial transactions must be supported by complete and verifiable source documents. Records shall provide a clear audit trail and shall be maintained as specified in Section 25 of this Agreement.
- E. Program Income: Any and all Program Income received by Grantee during the administration of this Agreement must be receipted and deposited into a separate Program Income account. Program Income funds may not be comingled with CDBG grant funds in a single account.

24. Reversion of Assets

Upon expiration of this Agreement, Grantee shall disencumber any CDBG funds, excluding Program Income, remaining in the contract at the time of expiration. Further, any real property under Grantee's control that was acquired and/or improved in whole or in part with CDBG funds (including CDBG funds provided to the Grantee in the form of a loan and Program Income) in excess of \$25,000.00 shall be either:

- A. Used to meet one of the National Objectives in 24 CFR Part 570 until five (5) years after expiration or closure of this Agreement, the length of time to be further prescribed by mutual agreement of the parties.
- B. Disposed of in such manner that Grantee is reimbursed in the amount of the fair market value of the property at the time of disposition of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition and/or improvement of such property. The proceeds from such disposition is Program Income.

If the Grantee provides funds for the purchase or improvement of real property to a subrecipient that is a private non-profit organization, that subrecipient must further agree to a voluntary lien on above-referenced real property as to any CDBG funds received and that such lien will be notarized and recorded in the Office of the County Recorder where the real property is located.

EXHIBIT D

25. Monitoring Requirements

The Department shall perform a program and/or fiscal monitoring of the CDBG grant no less than once during the thirty-six (36) month expenditure period of this Agreement. The Grantee shall be required to resolve any monitoring findings to the Department's satisfaction by the deadlines set by the Department to maintain program eligibility.

Grantees and applicable subrecipients shall retain all books, records, accounts, documentation, and all other materials relevant to this Agreement for a minimum period of five (5) years after the Department notifies the Grantee that the HCD contract has been closed according to the record retention requirements at 2 CFR 200.333.

Grantees and applicable subrecipients shall permit the State, federal government, the state Bureau of State Audits, the Department, and/or their representatives, upon reasonable notice, unrestricted access to any or all books, records, accounts, documentation, and all other materials relevant to this Agreement for the purpose of monitoring, auditing, or otherwise examining said materials.

26. Inspections of Grant Activity

The Department reserves the right to inspect any grant activity(ies) performed hereunder to verify that the grant activity(ies) is being and/or has been performed in accordance with the applicable federal, state and/or local requirements and this Agreement.

- A. The Grantee shall inspect any grant activity performed by contractors and subrecipients hereunder to ensure that the grant activity(ies) is being and has been performed in accordance with the applicable federal, state and/or local requirements and this Agreement.
- B. The Grantee agrees to require that all grant activity(ies) found by such inspections not to conform to the applicable requirements be corrected, and to withhold payment to its contractor or subcontractor, respectively, until it is so corrected.

27. Signs

If the Grantee places signs stating that the activity is funded with private or public dollars and the Department is also providing financing, it shall indicate in a typeface and size commensurate with the Department's funding portion of the project that the Department is a source of financing through the CDBG Program.

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

28. Insurance

- A. The Grantee shall have and maintain in full force and effect prior to the start of work, and at all times during the term of this Agreement such forms of insurance, at such levels as may be determined by the Grantee and the Department to be necessary for specific components of the grant activity(ies) described in Exhibit E. Prior to the commencement of any work, Grantee shall provide to the Department acceptable proof(s) of insurance confirming the required insurance coverages are in effect and naming the Department as an additional insured, where applicable. No insurance policy may be cancellable on less than thirty (30) calendar days prior notice to the insured and the Department. Grantees are responsible for requiring sufficient insurance, including but not limited to liability and workers compensation insurance, from all contractors and subrecipients. Grantees are recommended to be listed as an additional insured on policies held by contractors or subrecipients for the implementation of this award. Where a Grantee insurance policy is required to be purchased specifically for the execution or implementation of the activity funded through this award, the Department must be listed as an additional insured on the declarations page of the policy.
- B. Additional Coverages. In the event that Grantee, and/or any of its Subrecipients or Contractors,, will be engaging in any Hazardous Activity as part of the Collective Work contemplated by this Agreement, then the party(ies) engaging in any Hazard Activity(ies) shall provide to the Department, prior to commencement of any such activity(ies), such insurance coverages in such forms and in such amounts as the Department may require in its sole discretion. Such coverages are in addition to all other insurance coverages required by this Agreement and shall be imposed on any Subrecipient and/or Contractor pursuant to the Subrecipient Agreement or Contract. For purposes of the provision, the term "Hazardous Activity" includes the following: (a) the removal, storage, and/or transportation of any "hazardous material", as such term is defined under federal, state, or local law, ordinance, regulation, or guideline, (b) the removal, storage, or transportation of lead-based paint, (c) blasting, (d) any activity which by its nature is abnormally dangerous, and (d) any "ultrahazardous activity" as defined in California case law. In addition to providing proof of such required coverages, the party(ies) engaging in the Hazardous Activity(ies) shall procure, at its expense prior to the commencement of any work, all required permits, licenses, consents, and approvals that are required for the lawful conduct of such activities and shall provide adequate written proof thereof to the Department. No

EXHIBIT D

Hazardous Activity work may be commenced, or contracted for, prior to the provision of the required insurance coverages and licensure proof to the Department.

29. **Anti-Lobbying Certification**

Grantee shall comply with and require that the language of this certification be included in all contracts or subcontracts entered into in connection with this grant activity(ies) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and no more than \$100,000.00 for such failure.

- A. No federally appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

30. **Conflict of Interest**

Pursuant to 24 CFR 570.489(h), no member, officer, or employee of the Grantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision making process or gain inside information with regard to such activities, including members and delegates to the Congress of the United States may obtain a financial interest or benefit from a CDBG assisted activity, or have a financial interest in any contract, subcontract

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

or agreement with respect to a CDBG assisted activity or its proceeds, either for themselves or those with whom they have business or immediate family ties, during their tenure, or for one (1) year thereafter. The Grantee shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this section.

31. **Obligations of Grantee with Respect to Certain Third-Party Relationships**

Grantee shall remain fully obligated under the provisions of this Agreement notwithstanding its designation of any third party or parties for the undertaking of all or any part of the Program with respect to which assistance is being provided under this Agreement to the Grantee. The Grantee shall comply with all lawful requirements of the Department necessary to ensure that the Program, with respect to which assistance is being provided under this Agreement to the Grantee, is carried out in accordance with the Department's Assurance and Certifications, including those with respect to the assumption of environmental responsibilities of the Department under Section 104(g) of the Housing and Community Development Act of 1974 [42 U.S.C. 5304(g)].

32. **Energy Policy and Conservation Act**

This Agreement is subject to mandatory standards and policies relating to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

33. **State Contract Manual Requirements (Section 3.11, Federally Funded Contracts (Rev. 3/03):**

- A. All contracts, except for State construction projects that are funded in whole or in part by the Federal government, must contain a thirty (30)-day cancellation clause and the following provisions:
 - 1) It is mutually understood between the parties that this contract may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.
 - 2) This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the purpose of this Program. In addition, this contract is subject to any additional

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this contract in any manner.

- 3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.
- 4) The Department has the option to invalidate the contract under the thirty (30) day cancellation clause or to amend the contract to reflect any reduction in funds.

- B. Exemptions from provisions A.1 through A.4 above may be granted by the Department of Finance provided that the director of the State agency can certify in writing that Federal funds are available for the term of the contract.

California Government Code § 8546.4(e) provides that State agencies receiving federal funds shall be primarily responsible for arranging for federally required financial and compliance audits, and shall immediately notify the Director of Finance, the State Auditor, and the State Controller when they are required to obtain federally required financial and compliance audits.

34. **False, Fictitious or Fraudulent Claims:**

Warning: Any person who knowingly makes a false claim or statement to HUD or the Department may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

Detecting, Preventing, and Reporting FRAUD

Fraud is a white-collar crime that has a devastating effect on the CDBG program because the CDBG program beneficiaries are victims of this crime when the CDBG program is abused.

HCD wants to stop any criminal assault on the CDBG program it administers, and in doing so all CDBG funds go to people it was designed to help and improve their living conditions.

Combatting Fraud

Program Name: Community Development Block Grant (CDBG)
NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022
Approved Date: 04/20/2023
Prep. Date: 6/1/2023

EXHIBIT D

The U.S. Department of Housing and Urban Development (HUD) Office of Inspector General (OIG) is committed to protecting HUD's programs, operations, and beneficiaries from dishonest individuals and organizations.

HUD cannot combat fraud alone.

HUD relies on HCD and CDBG NOFA applicants to combat CDBG program fraud. HUD also relies on applicants for, and people receiving, HUD benefits, such as tenants receiving rental assistance, borrowers with HUD insured loans, or citizens having their communities restored using HUD grants.

The HUD OIG Hotline number is 1-800-347-3735, this is the primary means to submit allegations of fraud, waste, abuse, mismanagement or Whistleblower related matters for the CDBG program to the Office of Inspector General.

HUD OIG accepts reports of fraud, waste, abuse, or mismanagement in the CDBG program from HUD employees, anyone administering the CDBG program, anyone working in the CDBG program, contractors, and the public.

You can report mismanagement or violations of law, rules, or regulations by HUD employees or program participants.

Fraud, Waste and Abuse in the CDBG program and its operation may be reported in one of the following four (4) ways:

E-mail to: hotline@hudoig.gov

By Phone: Call toll free: 1-800-347-3735

By Fax: 202-708-4829

By Mail:

Department of Housing & Urban Development.

HUD OIG, Office of Investigation, Room 1200

Field Office

One Sansome Street

San Francisco, CA 94104

[\(213\) 534-2518](tel:(213)534-2518)

HUD OIG, Office of Investigation

Suite 4070

Regional Office

300 North Los Angeles Street

Los Angeles, CA 90012

[\(213\) 534-2518](tel:(213)534-2518)

Program Name: Community Development Block Grant (CDBG)

NOFA Date: 04/19/2022; Amended on 06/17/2022 and on 08/12/2022

Approved Date: 04/20/2023

Prep. Date: 6/1/2023

Exhibit E PROGRAM APPLICATION

Activity: City of Ukiah Housing Conditions Survey

Linked Form Applications

City of Ukiah Housing Conditions Survey

Linked Form Profile

EXHIBIT E

Award Number

22-CDBG-PL-20038

PO Number

Section I

Activity Category

Planning

Activity (P)

20A State Planning-Only Activities

National Objective (P)

(LMA) Low/Mod Area Benefit

Check this box if the activity is in support of housing

This activity supports housing

Section II

Measure Indicator (P)

Households

Choose the measure indicator from the list. Detailed information on performance measurements can be located in HUD's Basically CDBG manual, Chapter 13.

<https://files.hudexchange.info/resources/documents/Basically-CDBG-Chapter-13-Performance-Measurement.pdf>

Number of Beneficiaries

75

Please indicate the proposed number of beneficiaries of this activity. ##### LMA - Number of LMI persons in service area that will benefit. ##### LMC - Number of LMI persons that will benefit ##### LMH - Number of households that will benefit ##### LMJ - Number of jobs created/retained

Presumed Benefit Types

Elderly Persons, Homeless Person, Adults Meeting Bureau of Census' Definition of Severly Disabled Persons

Additional Benefit Types

Youths, Single Adults, Single Men, Single Women, Families, Veterans

Section III

Please enter the legal Non-Entitlement Jurisdiction Name as the Organization Name. Example: City of Sacramento.

Organization Name

City of Ukiah

Organization Street Address

300

Organization Street Name

Seminary Avenue

Organization City

Ukiah

Organization State

California

Organization Zip Code

95482

Program Census Location

The Census information in this section will be used for legislative and congressional district tracking. Please use the Census information of your primary facility or the designated address of the responsible organization. If you are doing a LMA activity, you will be asked to provide additional Census information specific to your service area. It is ok if the information is duplicative. ##### Use the HUD LMSI mapping tool located at

<https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=ffd0597e8af24f88b501b7e7f326bedd> to gather the required census tract information as identified by the address below. For instructions on using the mapping tool visit: <https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd#####>

Identify the census location data for the administrative entity of this application (if this is a county use the County Administration building, if this is a city use City Hall or an administrative facility).

County Code

045

Census Tract

115

Census Block Group(s)

01, 02, 04, 05

Does this activity occur on more than one Census Tract and Block Group?

Yes

County Code

045

Census Tract

116

Census Block Group(s)

01, 02, 03

County Code**Census Tract****Census Block Group(s)****County Code**

Census Tract

Census Block Group(s)

Are you using an income survey?

No

Low Mod percentage

61.73

Section IV

Please enter a descriptive Activity Title for your application - including your legal jurisdiction name.
Example: City of Sacramento Water Treatment Planning.

Activity Title

City of Ukiah Housing Conditions Survey

Activity Street Address:

300

Activity Street Name:

Seminary Avenue

Activity Suite:

Activity City:

Ukiah

Activity State:

California

Activity Zip Code:

95482

Enter a detailed description of your activity which should include at a minimum: what the activity is, why it is needed, who the beneficiaries will be, where will it take place, how it will be done and when it will be complete. This should be a similar description provided for the NEPA. Additionally, please indicate if this will be a new activity, a modification to an existing activity, or if a new type of assistance will be added to an existing activity.##### By completing the narratives below the applicant is demonstrating a knowledge of need for the activity and the steps needed to achieve the desired outcome.

Activity Description

The City of Ukiah proposes the funding of a new Housing Planning Activity- Housing Conditions Survey to help address a critical need to improve the living conditions for low- and moderate-income individuals and households in seven (7) of the City's fifteen (15) census tract block groups that are principally (greater than 50%) low and moderate-income (LMI). Through a recently awarded \$500,000 CDBG Housing Rehabilitation grant, the City will be launching a new Housing Rehabilitation Program in 2022, and a housing conditions survey will help identify and target the neighborhoods with the highest concentration of substandard units. The beneficiaries of the Housing Conditions Survey will be up to 75 LMC and LMI households and individuals.

The Housing Conditions Survey will be implemented by select staff of the City's Community Development Department, consisting of up to 10 staff members in the Divisions of Housing, Grants Management, Building/Code Enforcement, Fire Prevention, and Planning. Although the Community Development Director has experience preparing CDBG-funded housing conditions surveys, having coordinated the preparation of the County of Mendocino's 2015 Housing Conditions Survey, the City of Ukiah has not pursued CDBG funding for this activity in at least the last 15 years, so the proposed activity would be a new activity.

Survey data will be collected by City staff who will systematically canvas residential housing in the City's seven LMI census tract block groups and collect data on each unit. The survey will include seven structural categories: foundation, roofing, siding, windows, electrical, frontage improvements, and additional factors. Based on scores assigned to the seven categories, each housing structure will be rated as being in sound or dilapidated condition, or in need of minor, moderate, or substantial repair. The data collected in the survey will be entered into a survey tracking system in Excel, analyzed, and described in an analysis report according to categories identified as important in the City's 2019-2027 housing element.

The Project implementation steps include project setup activities; training for staff to conduct a housing conditions windshield survey; the surveying process; transfer of the data to a tracking database; quality control; data analysis and preparation of a survey report; report editing; and presentation of the survey report.

It is anticipated that the Housing Conditions Survey would be completed before the end date of the Standard Agreement, or 36 months, whichever is less.

Provide a detailed narrative describing the steps to be taken to complete the activity. (i.e.: Task 1- create marketing plan; Task 2- hold a town hall meeting; Task 3- analyze feedback... etc.). This task narrative should indicate your knowledge of the steps and actions necessary to complete your activity. Narrative should include all actions taken to reach readiness through actions necessary for closeout.

Exhibit E

Detailed Scope of Work - Task Narrative

Select staff within the City's Community Development Department will supervise and implement the proposed activity.

Steps taken to complete the activity include the following:

1. Utilizing parcel data from the Mendocino County Assessor's office, cross-checked with a map generated by the Planning Division, compile a list of all housing units in the 7 LMI Census Tract Block Groups, with street addresses, in Ukiah. Based on U.S. Census Data and the 2019-2027 Housing Element, this number is expected to be approximately 3,500 units. To have the ability to identify the housing conditions within Census Tract Block Groups with at least 51% LMI individuals and households, each housing unit will further be divided by Census Tract/Block Group.
2. Transcribe data from survey form for each of the housing units into an Excel spreadsheet. A draft survey form, based on HCD's sample survey, is included as an attachment.
3. Concurrent to #1 and #2, train Community Development Department staff on how to complete windshield surveys for the Housing Conditions Survey.
4. Community Development Department staff to conduct windshield surveys of housing units throughout the seven LMI City census tract block groups. Surveying is expected to be completed over an approximately ten-month period. Note: because the City currently has funded housing rehabilitation and code enforcement programs through a 2020-21 CDBG award, if units are identified that are in serious need of rehabilitation, inspectors will make a note of the unit and mail or leave program flyers for the homeowner/renter. Although these actions will not be funded through the housing planning activity, inspectors' surveying of units provides an excellent opportunity to identify units in the most substandard condition and match need for assistance with the City's existing CDBG housing rehabilitation program.
5. Community Development Department staff will compile all results, evaluate the data, and produce a Housing Conditions Survey report.
6. Community Development Department staff to give presentation to City Council on the results of the survey. City Council will be requested to review and discuss survey report. Provided final drawdown submitted to HCD, staff will also request City Council adopt resolution closing out grant.

Provide a detailed narrative describing the deliverables that will be completed as part of this activity. (i.e.: Deliverable 1- marketing plan; Deliverable 2- town hall meeting minutes; Deliverable 3- labor compliance files... etc.). This deliverable narrative should indicate your knowledge of the documentation necessary to monitor and evaluate activity compliance. These documents should be part of your project file and will be reviewed as part of your onsite monitoring.

Detailed Scope of Work - Deliverable Narrative

- Deliverable 1: Updated estimate of housing units in the City by Census Tract/Block Group
- Deliverable 2: Final draft of survey form format to be used to conduct the survey
- Deliverable 3: Training instructions on how to conduct a windshield survey
- Deliverable 4: Quarterly and annual activity reports on survey progress, successes, and challenges
- Deliverable 5: Final Housing Conditions Survey Report
- Deliverable 6: City Council meeting project closeout Resolution

Section V

Certain activities will need more than 30 days after the expenditure deadline to complete beneficiary reporting, for example; reporting for activities that are in support of housing or economic development where it is likely that there will be a time gap between completion of the activity and reportable beneficiaries.

Will you need more than 30 days after the expenditure deadlines to complete your activity reporting?

No

Do you want to add additional optional milestones?

No

If you selected YES, please provide each milestone for the program as well as the anticipated completion date. There are spaces for 10 milestones, however only the first and last are mandatory. The first milestone is the proposed activity start date and the last milestone is the proposed notice of completion or completion date of the activity. Additional milestones are optional. Milestones provided in this section will become part of the Standard Agreement.

Exhibit E

Milestone #1

Proposed Activity start date: completed no later than 60 days from contract execution

Milestone #1 must be completed no later than 60 days after execution of the STD 213

Milestone #2

First draw of grant funds: completed no later than 120 days from contract execution

Milestone #3

50 percent completion: completed no later than 540 days from contract execution

Milestone #4

Final draw of grant funds: completed by the expenditure deadline

Confirmation of Closeout - Milestone #10

Proposed completion of the activity: completed no later than 90 days after the expenditure deadline

Milestone #10 must be completed no later than 90 days after confirmation of closeout

Readiness Criteria

Planning Statement of Need and Proposed Outcome

The City of Ukiah is requesting CDBG planning activity funding for an updated Housing Conditions Survey. The previous Housing Conditions Survey was completed nearly 15 years ago and should be updated both to reflect current housing conditions and to inform where need is greatest for housing rehabilitation program assistance. Once completed, the updated Housing Conditions Survey is expected to lead to future housing rehabilitation assistance for up to 75 LMI beneficiaries.

During the City's updating of the 2019-2027 Housing Element, adopted by the City Council in October 2019 and certified by HCD in December 2019, an estimate of housing conditions in Ukiah was completed. The Housing Element noted that "since the City has not completed a housing conditions survey since 2008, data was utilized from the 2008 Survey and cross-referenced with current local conditions observed by City of Ukiah Building Division staff and updated data within this Housing Element." The 2019-2027 Housing Element also noted that "over 90 percent of all housing stock in the City of Ukiah was built in 1989 or earlier and is over 25 years of age. Only 3.3 percent of housing stock is newer (built in the year 2000 or later), and until quite recently very few new housing units were constructed." With overall inflation and the significant recent demand for housing and the corresponding increase in development activity, the cost of construction has also increased. The Ukiah community thus faces an aging and deteriorating housing stock with increasing costs of construction. For LMI owner-occupants in particular, this situation makes many necessary health and safety repairs costly and out of reach.

The Housing Conditions Survey will address this need by conducting a full survey of the condition of the estimated 3,500 housing units in the seven LMI Census Tract Block Groups. The project will include the design of a survey form utilizing the existing HCD model, a systematic survey of the condition of residential properties, analysis of the gathered data, and a Housing Conditions Survey report presented to the Ukiah City Council and submitted to HCD in eCivis or by email.

The Need Statement presents facts and evidence to support the need for your planning activity. An effective need statement will describe the target populations to be served, define the community problem to be addressed, is related to the purposes and goals of your organization, includes quantitative and qualitative documentation and supporting information, does not make any unsupported assumptions, and describes the situation in terms that are both factual and of human interest.

Planning Statement of Need Documentation

Published documentation of need

Upload documentation of Need and Proposed Outcomes

Documentation of Planning Statement of Need- City of Ukiah.pdf

Upload documentation of Need and Proposed Outcomes

Sample housing conditions report- City of Ukiah.pdf

Exhibit E

Upload documentation of Need and Proposed Outcomes

Program Census Location LMA- City of Ukiah.pdf

Provide a detailed description of the population that will benefit from the implementation of the provide and how that population meets a national objective. Description should include if the population is a protected class, presumed benefit, or has some other shared characteristic, has been impacted by a disaster, is vulnerable due to environmental, economic, or community factors, or has other special characteristics.

Describe the population that will benefit

Up to 75 LMI households and individuals are expected to benefit from the proposed planning activity, and the activity will meet the national objective of benefit to low- and moderate-income persons.

Provide a narrative describing your planned community outreach for this planning activity.

Limited community outreach will be needed for this planning activity, since the study will be done in-house with existing City staff. However, the City would release a press release to local media notifying the community of the purposes of the survey and the intended goals and outcomes. The City would also post the final survey report on its website and provide a presentation to the City Council.

Please include a narrative describing your staff and/or contractor/subrecipient expertise:

The City of Ukiah Housing Conditions Survey project has been designed to take advantage of the City's in-house staff experience and expertise. Implementing the project primarily with internal staff resources will facilitate project communications, implementation coordination, data analysis, and reporting.

Craig Schlatter, Community Development Director for the City of Ukiah, will provide overall project administration and will be responsible for training project staff, quality control, and overseeing the timely completion of all project deliverables. Mr. Schlatter has experience conducting Housing Conditions Surveys for jurisdictions in northern California, including County of Mendocino. He has over 16 years' experience with the State CDBG program and has administered and implemented multiple community and economic development and housing activities through CDBG grants and Program Income- both for the City of Ukiah and for other non-entitlement communities throughout northern California. Mr. Schlatter's experience includes involvement in each phase of administration and implementation of CDBG grant activities, from program and project scoping and design, to grant application preparation, project/program general set-up, implementation of the activity, and closeout. Mr. Schlatter has training through HUD San Francisco's NEPA Environmental Review preparation courses and serves as the City's Certifying Officer. Mr. Schlatter has also been trained and has experience in performing Davis Bacon Prevailing Wage monitoring services. Mr. Schlatter designed the City's first CDBG Business Assistance loan program, formerly known as the Revitalizing Business Investment and Lending Development (ReBILD) program, and funded by CDBG grant #10-EDEF-7261. Mr. Schlatter holds both a bachelor's degree and a master's degree in economics from Illinois State University, with a concentration in community and economic development. He has data analysis training and experience, and has experience designing, implementing and analyzing housing surveys in Mendocino County.

Jesse Davis, Planning Manager with the City of Ukiah, has extensive project management experience with local, state, and federally funded projects. He will assist the Community Development Director with project design and implementation.

Michelle Irace, Planning Manager with the City of Ukiah, has experience with all aspects of the local agency planning processes including CEQA analysis and reporting, advanced planning projects, housing element updates, research, and data analysis. Ms. Irace will provide quality control and project review to ensure that the project is implemented according to the plan, and will double check staff work to eliminate and errors and ensure consistency with the project development plan.

Jim Robbins is Grants Manager in the Community Development Department. Jim has over 20 years of experience planning, organizing, and managing state and federal grant programs, most recently for City of Ukiah non-entitlement jurisdiction CDBG and HOME programs. Jim has experience with CDBG quarterly activity and financial reporting, annual reporting, and annual PI reporting. Jim has experience understanding and interpreting CDBG program guidelines and NOFA instructions, and is currently managing 10 active CDBG Standard Agreements. Jim's academic background is in economic history and history of economic development. He has managed federally-funded research projects at the University of Florida and UCLA, and has training in qualitative and quantitative analysis methods (emphasis on qualitative), survey instrument formulation and implementation, ethical behavior in survey implementation, and Social-Behavioral-Educational (SBE) human subjects research in the United States and EU countries. Jim will provide Grant Management support to the City team implementing and analyzing the results of the Housing Conditions Survey. He will assist the team with the Stand Agreement execution process, understanding and interpreting

CDBG regulations and guidelines, compiling and submitting quarterly and annual activity and financial reports, responding to inquiries from HCD CDBG program staff, grant closeout, and other tasks as they present themselves. Please see the attached resume for Jim Robbins.

Mary Horger, Financial Services Manager, has over 17 years' experience with all aspects of governmental procurement, including federal procurement efforts and contracts management related to CDBG programs and projects. Ms. Horger also has significant experience in budgeting, accounting, and financial functions supporting state and federal grants, special projects, and large public capital improvement projects. Ms. Horger reports to Daniel Buffalo, City of Ukiah Finance Director. Mr. Buffalo has extensive experience in performing financial analysis, including feasibility analysis related to special projects and programs. Mr. Buffalo also has experience with CDBG and HOME budgeting, accounting, and fiscal administration.

Isabelle Grieve, Community Development Technician, will assist with project logistics, and scheduling, and will provide support with compiling and processing data for the data analysis team.

Before the project start date, the City plans to hire a new full-time Code Enforcement Officer and a new full-time Associate Planner. These new staff positions in the Community Development Department are expected to provide assistance with the survey data collection process as well as detailed knowledge of housing and neighborhood conditions in support of the Housing Conditions Survey project.

Provide documentation of your planning team qualifications.

Duty Statements/Resumes

Resumes- City of Ukiah.pdf

Activity Flow Chart

Activity Flow Chart- City of Ukiah.pdf

Organization Flow Chart

Organization Flow Chart- City of Ukiah.pdf

Indicate the number of grants managed in the last 48 months

4 or more grants

List the grants managed in the last 48 months.

Grants managed in the past 48 months by the City of Ukiah Community Development Department include the following 13 grants:

20-CDBG-12036, CDBG Non-housing Planning grant
 20-CDBG-12041, CDBG Business Assistance Program grant
 20-CDBG-12052, CDBG Non-housing Planning grant
 20-CDBG-12057, CDBG Microenterprise Technical Assistance grant
 20-CDBG-CV1-0004, Public Facility Improvement Project (grant 1)
 20-CDBG-CV2-3-00081, Public Facility Improvement Project (grant 2)
 20-CDBG-CV2-3-00069, Public Services Program (Subsistence Payments)
 20-CDBG-CV2-3-00097, Public Service (Ambulance Purchase)
 20-LEAP-15456, Local Early Action Planning grant for housing streamlining
 19-PGP-13298, Planning Grant Program grant for housing streamlining
 18-HOME-12560, Rental New Construction Affordable Housing grant
 16-HOME-11376, First Time Homebuyer Program grant
 16-CDBG-11147, CDBG Business Assistance Program and Microenterprise Technical Assistance grant

The City has been awarded two additional CDBG grants for Housing Rehabilitation and Code Enforcement programs, but these programs will not be active until the standard agreements have been executed.

Provide a narrative listing your partners and collaborators

Over the past four years the City of Ukiah Community Development Department has developed the capacity and experience to manage a Housing Conditions Survey project with in-house staff resources. Therefore, no official partners or collaborators are needed for project implementation or outreach. Informal partners include the City of Ukiah Equity and Diversity Committee, the County of Mendocino Public Health Department, the County of Mendocino Planning and Building Services, North Coast Opportunities, the Community Development Commission of Mendocino County (CDC), Rural Communities Housing Development Corporation, as well as a number of other local non-profits that provided critical services to the local underserved population.

List of collaborators/partners

For documentation please upload adopted Memorandum of Understanding, Agreements, Contracts, Resolutions, Board Motions, or other formally approved documentation showing that the governing bodies of the different partner agencies have acknowledged the partnership/collaboration and are engaged in the effort. A signed letter of partnership/collaboration is NOT sufficient evidence of partnership unless it is signed by all parties in the collaboration/partnership, and has been recognized by the governing body of the responsible organization.

Partners/Collaborators Supporting Documentation

Partners/Collaborators Supporting Documentation

Partners/Collaborators Supporting Documentation

Partners/Collaborators Supporting Documentation

Partners/Collaborators Supporting Documentation

Partners/Collaborators Supporting Documentation

Do you have a signed agreement with a contractor/subrecipient?

N/A (no contract needed)

The Subrecipient Agreements must meet the requirements of 24 CFR §570.503:

<https://www.law.cornell.edu/cfr/text/24/570.503> Contracts must be in compliance with 2 CFR §§200.317-200.326: <https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1.4.31&rgn=div7> Contracts should include language required in Appendix 2 of 2 CFR 200: [https://www.law.cornell.edu/cfr/text/2/appendix-II to part_200](https://www.law.cornell.edu/cfr/text/2/appendix-II%20part_200)

Have you enacted limitations on residential construction other than establishing agricultural preserves or limitations based on health and safety needs?

No

Applicant must be in compliance with HSC §25395.99 <https://codes.findlaw.com/ca/health-and-safety-code/hsc-sect-25395-99.html>. For more information about Land-Use Controls please visit <https://www.hcd.ca.gov/community-development/building-blocks/constraints/land-use-controls.shtml>.

View Budget Worksheet

View Application Goals

Original Submission Date (for re-submissions)

Threshold Criteria

Can you confirm that the funding requested is gap funding?
Yes

Upload proof of certification
Gap Funding Letter- City of Ukiah.pdf

Additional proof of certification

City of Ukiah
22-CDBG-PL-20038
Page 11 of 12

Instructions: Fill out the above item budget with your projected expenditures. You may identify the line items by category, such as activity/deduction, activity, and admin, or by any other activity categories that apply to your activity. Do keep your administrative costs categorized under the General Administration category. Fill in the jurisdiction and activity information at the top of the form, and identify the specific resources (funds) that will be used to pay for each line item in each category. If you do not have CDBG-PL, please leave these fields blank. If your budget line item has a budget gap, the "Duplication of Benefits" column will show a red shaded field and a number indicating your budget gap in parentheses. If you have a potential duplication of benefits, the column will show a blue shaded field and a number indicating your budget overage. Please make sure to include ALL of your potential resources, including FEMA, HUD, CARES Act, and other State and Federal funds, as well as local funds from fees, trust funds, and taxes, and any foundation or private foundation funding, including insurance payments. If you are unsure if a resource should be included, please contact Jessica Hayes at jessica.hayes@hcd.ca.gov. Please fill in the fields with a bracket [] and the funds. Please do not delete or alter formulas. The colored columns have no significance. They are colored only to make it easier to track certain funding source.

Exhibit E

City of Ukiah
22-CDBG-PL-20038
Page 12 of 12

Budget Report

Passthrough Agency: **City of Ukiah Department of Housing and Community Development**
Program: **CDBG - Planning Competitive (2022)**
Stage: **Pre-Award**

Report Date: 05/11/2023
Requested By: **Craig Schlatter**
cschlatter@cityofukiah.com

Budget Items

Category	Title	Description	Units	Unit Cost	Extended Cost	Direct Cost	Indirect Cost	GL Account	Cost Share	Type
Activity										
New Subcategory										
	Activity - Housing Conditions Survey	Preparation	0	\$0.00	\$0.00	\$3,070.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Training	0	\$0.00	\$0.00	\$3,334.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Windshield surveys	0	\$0.00	\$0.00	\$58,006.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Data transfer	0	\$0.00	\$0.00	\$15,627.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Quality control	0	\$0.00	\$0.00	\$5,480.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Data analysis	0	\$0.00	\$0.00	\$10,440.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Final review	0	\$0.00	\$0.00	\$1,370.00	\$0.00		\$0.00	Direct Cost
	Activity - HCS	Presentation	0	\$0.00	\$0.00	\$2,362.00	\$0.00		\$0.00	Direct Cost
Activity Total			0	\$0.00	\$0.00	\$99,669.00	\$0.00		\$0.00	
General Administration										
General Administration Total			0	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	
Activity Delivery										
Activity Delivery Total			0	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	
Other										
Other										
Other Total			0	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	
Grant Total			0	\$0.00	\$0.00	\$99,669.00	\$0.00		\$0.00	

Budget Report, Created by Craig Schlatter, cschlatter@cityofukiah.com, 05/11/2023
Source: eCivis™ Portal
<http://www.ecivis.com/>



2026

CITY OF UKIAH

HOUSING CONDITIONS

SURVEY REPORT



Adopted by the Ukiah City Council: May 20, 2026

This survey and report were made possible by a Community Development Block Grant from the California Department of Housing and Community Development, grant # 22-CDBG-PL-20038.

Acknowledgements

The 2026 City of Ukiah Housing Conditions Survey was made possible by a Community Development Block Grant from the California Department of Housing and Community Development, grant # 22-CDBG-PL-20038.

Special Thanks to County of Mendocino GIS Office and Planning and Building Services Department staff for providing the residential address data on which the report was based.

The Housing Conditions Survey was implemented by City of Ukiah Community Development Department staff, and the Housing Conditions Survey Report was written by department staff.

City Of Ukiah Community Development Department Staff

Craig Schlatter, Director of Community Development
Matt Keizer, Chief Building Official
Jim Robbins, Housing and Grants Manager
Andrea Trincado, Project and Grants Administrator
Tom Hoover, Building Inspector II
Shane Baarts, Code Enforcement Inspector II
Elizabeth Frausto, Community Development Technician I
Leiloni Shine, Housing and Grants Specialist
Mariam Garcia, GIS Analyst

City Of Ukiah Staff

Sage Sangiacomo, City Manager
Shannon Riley, Deputy City Manager
David Rapport, City Attorney

City of Ukiah City Council

Susan Sher, Mayor
Juan Orozco, Vice Mayor
Heather Criss, Councilmember
Mari Rodin, Councilmember
Douglas Crane, Councilmember

City of Ukiah

2026 Housing Condition Survey Report

1. Executive Summary

The 2026 Housing Condition Survey provides a comprehensive curb-side “windshield” evaluation of exterior structural conditions for residential units located within designated low- to moderate-income (LMI) census tract block groups in the City of Ukiah (defined as the number of households with gross incomes less than 80% of the Area Median Income, AMI, for Mendocino County). The survey establishes a current, data-driven assessment of housing conditions within areas of Ukiah with a majority of low- and moderate-income households.

This report builds upon the methodology established in the 2008 Housing Condition Survey, the last such survey conducted by the City, with refinements to the scoring criteria and field procedures. These updates improve clarity and consistency in exterior-only assessments while maintaining comparability with prior reporting efforts.

Findings are organized by Census Tract Block Group rather than by geographic Zones, as presented in the 2008 report. The 2026 survey focuses specifically on the seven LMI census block groups, providing greater analytical precision. Also unique to this 2026 report is a survey of the population of 3,201 residential units across these census block groups, providing an in-depth analysis of housing conditions in Ukiah. The results will inform rehabilitation prioritization, funding allocation, and long-term housing policy planning.

Analysis indicates that housing conditions across the study area generally fall within the Moderate to Substantial condition categories when averaged at the block group level. While many homes exhibit routine aging consistent with Ukiah’s climate and the age of the housing stock, several areas show concentrated patterns of deferred maintenance.

The survey data demonstrates:

- A measurable presence of moderate exterior deficiencies, including aging roofing materials, deteriorated paint, minor settlement cracking, and worn trim.
- Concentrations of substantial condition ratings within specific block groups, indicating a higher incidence of visible structural deterioration and cumulative deferred maintenance.
- Variation among block groups, reflecting differences in housing age, density, tenancy patterns, and reinvestment levels.

Overall, the findings confirm that housing deterioration is present within the City's LMI neighborhoods at levels that justify continued and targeted rehabilitation assistance. While widespread critical failure conditions were not predominant, the cumulative impact of moderate and substantial deficiencies suggests that proactive intervention will help prevent further decline and higher-cost structural rehabilitation in the future.

The 2026 survey provides a baseline for prioritizing rehabilitation funding, targeting outreach to areas with higher concentrations of substantial conditions, and supporting future CDBG and housing-related grant applications. It also establishes a framework for ongoing monitoring of neighborhood-level housing trends to ensure that public investment is directed where need is most acute.

The 2026 Housing Condition Survey directly supports implementation of the City's adopted Housing Element (2019–2027) by advancing Goal H1: Policies 1-1 and 1-4, as well as Implementation Program 1a:

Goal H-1: Conserve, rehabilitate, and improve the existing housing stock to provide adequate, safe, sustainable, and decent housing for all Ukiah residents.

Policy 1-1: Encourage the rehabilitation of existing residential units.

Policy 1-4: Promote increased awareness among property owners and residents of the importance of property maintenance to long-term housing quality.

Implementation Program 1a: Emphasize rehabilitation of mobile homes, detached single-family dwelling units, and lower-income multifamily housing projects. Prioritize funding for health and safety repairs, energy efficiency improvements, and ADA accommodations. Assist in completing the rehabilitation of at least 25 lower income housing units in the planning period.

As reflected in the Housing Element's emphasis on maintaining safe, decent, and sustainable housing and expanding rehabilitation efforts, this report provides the data-driven foundation necessary to target rehabilitation programs, deploy Housing Trust Fund resources, and prioritize CDBG investments consistent with adopted policy objectives.

2. Background

The City of Ukiah is the county seat and primary population and service center for Mendocino County, located along the U.S. Highway 101 corridor in the Ukiah Valley. Ukiah is a compact city (approximately 7 square miles) with a 2020 Census population of 16,607, which contributes to relatively close proximity between residential neighborhoods, schools, parks, employment areas, and community facilities.

Ukiah's development pattern includes a historic downtown and older in-town neighborhoods (generally characterized by smaller lots, mature street trees, a connected street grid, and a higher share of older housing stock), as well as more recent subdivisions that include a mix of single-family homes, duplexes, and multi-family developments. This range of development eras is

relevant to housing condition analysis because building age, construction type, and past reinvestment patterns often influence the prevalence of observable exterior maintenance needs.

2.1 Climate and Weathering Impacts on Housing Conditions

Ukiah's Mediterranean climate—characterized by hot, dry summers and cool, wet winters—has a measurable long-term impact on exterior housing conditions. Seasonal temperature extremes, concentrated winter precipitation, and periodic drought cycles collectively contribute to material aging and deferred maintenance patterns observed throughout the study area.

Summers in Ukiah are typically hot and dry, with daytime high temperatures exceeding 90°F and occasional heat events reaching above 100°F. Extended summer heat and ultraviolet (UV) exposure accelerate the deterioration of exterior finishes, including fading and peeling paint, cracking and warping of wood siding, and premature aging of roofing materials and sealants. Repeated expansion and contraction from daily temperature swings further contribute to material fatigue over time.

Winter rainfall, particularly during heavy storm events, increases the risk of roof and gutter deterioration, flashing failure, and water intrusion. Where drainage systems are inadequate, prolonged moisture exposure can lead to wood rot, pest damage, foundation settlement, and visible exterior siding decay. Although freeze-thaw cycles are limited compared to colder climates, occasional freezing temperatures may exacerbate cracking in concrete, stucco, and masonry where moisture is present.

Extended drought periods common to Northern California also affect housing conditions by causing soil shrinkage around foundations, minor settlement cracking, vegetation loss, and increased wildfire exposure risk. In lower-income areas where routine maintenance may be deferred, these climate-related stressors can compound over time.

Overall, Ukiah's weather patterns contribute to gradual but cumulative exterior deterioration, particularly in older housing stock. These environmental factors provide important context when interpreting moderate and substantial condition classifications within the 2026 survey's low- to moderate-income census block groups.

2.2 Demographics and Income Context

Recent U.S. Census estimates indicate that the median household income for the City of Ukiah is approximately \$66,000 (2020–2024 ACS). This citywide figure reflects a broad range of household incomes across diverse neighborhoods and housing types.

The census block groups included in the 2026 Housing Condition Survey are designated as low- to moderate-income (LMI) areas for purposes of federal Community Development Block Grant (CDBG) eligibility. Under federal criteria, this designation means that at least 51 percent of households within each block group earn at or below 80 percent of Area Median Income (AMI). This classification is a technical funding threshold used to determine program eligibility and does not characterize the full range of income levels or housing types present within these neighborhoods.

For federal CDBG eligibility, “low- to moderate-income” (LMI) is defined relative to the Area Median Income (AMI) for the relevant county. In the Mendocino County area (which includes Ukiah), low-income thresholds are generally set at 80 percent of AMI. Based on 2021 HUD income limit tables, the 80 percent AMI level for a typical household sized four in Mendocino County was approximately \$75,100, reflecting the income cutoff used to determine LMI status for block group eligibility in this survey.

While median household incomes within the surveyed block groups are generally lower than the overall citywide median, these areas include a mix of homeowners and renters, varying property conditions, and long-established residential neighborhoods. Income levels are one of several factors that can influence the pace and scale of exterior home maintenance, particularly given increasing costs of construction materials, skilled labor, insurance, and utilities.

3. Methodology

3.1 Survey Scope

The 2026 Housing Condition Survey evaluated all residential units within designated low- and moderate-income (LMI) census tract block groups in the study area (115.1, 115.2, 115.4, 115.5, 116.1, 116.2, and 116.3). These block groups met 2022 federal LMI eligibility criteria. The 2022 data was used because it was the most current information available at the time the Community Development Block Grant (CDBG) grant application was submitted.

Each unit was assessed using standardized criteria generally consistent with prior reporting periods to ensure comparability, with updates made to clarify and strengthen the evaluation methodology.

Unlike the 2008 Housing Condition Survey, which sampled random residences citywide to estimate overall conditions, the 2026 survey assessed the population of residential units within the eligible census tract block groups. The 2008 survey relied on statistical samples, which introduced a margin of error. In contrast, the 2026 survey eliminated sampling error within the study area by conducting a survey of the population.

3.2 Geographic Reorganization

The previous study, funded by a City of Ukiah Redevelopment grant, surveyed residential units citywide in three Zones (North, Middle and South). For 2026, results are reorganized by low- to moderate-income U.S. Census Tract Block Groups, allowing for more granular geographic precision within the study area and more accurate data from which to draw conclusions.

3.3 Surveyors

The Community Development Department deployed a unique and innovative approach to conducting surveys. First, staff in the Code Enforcement and Building Inspections Divisions of the Department were trained by CDBG/Housing Division staff in how to conduct housing conditions

“windshield” surveys. Next, through preliminary surveying efforts, the team worked together to develop a standardized survey methodology and approach. After this approach was well-understood by all housing conditions surveyors, code enforcement division personnel took the lead in completing surveys, while also identifying potential code issues. If code issues were identified that required immediate attention, code enforcement personnel communicated these properties to the building inspections and housing divisions, for outreach related to the City’s CDBG Housing Rehabilitation program. Several properties were identified for housing rehabilitation assistance through these efforts.

This approach enabled the City to use multiple personnel (6) within three divisions of the department to survey the entire population of housing units in the LMI census tract block groups. It also identified units needing code enforcement action and connected LMI households to funding assistance through the CDBG-funded housing rehabilitation.

3.4 Surveyor Training

Prior to fieldwork, staff reviewed the 2008 Housing Condition Survey template and report to understand historical scoring methodology and classification thresholds.

Staff consulted with the City of Ukiah Chief Building Official/Chief Code Enforcement Officer to evaluate each scoring category and determine whether updates were necessary to reflect observable conditions and modern building practices.

Based on this review, certain scoring elements were broadened to improve clarity and field application. The revised guidelines for scoring emphasize observable exterior aging, material deterioration, and modernization rather than conditions that are difficult to evaluate from a curbside vantage point.

Each unit received a condition score based on established evaluation criteria. For each Block Group, the following calculations were applied:

- Total Score (Block Group) = Sum of all unit scores within the block
- Number of Units (Block Group) = Total surveyed units within the block
- Average Block Group Score = Total Score ÷ Number of Units

This weighted approach ensures averages accurately reflect block group-level conditions based on total unit count.

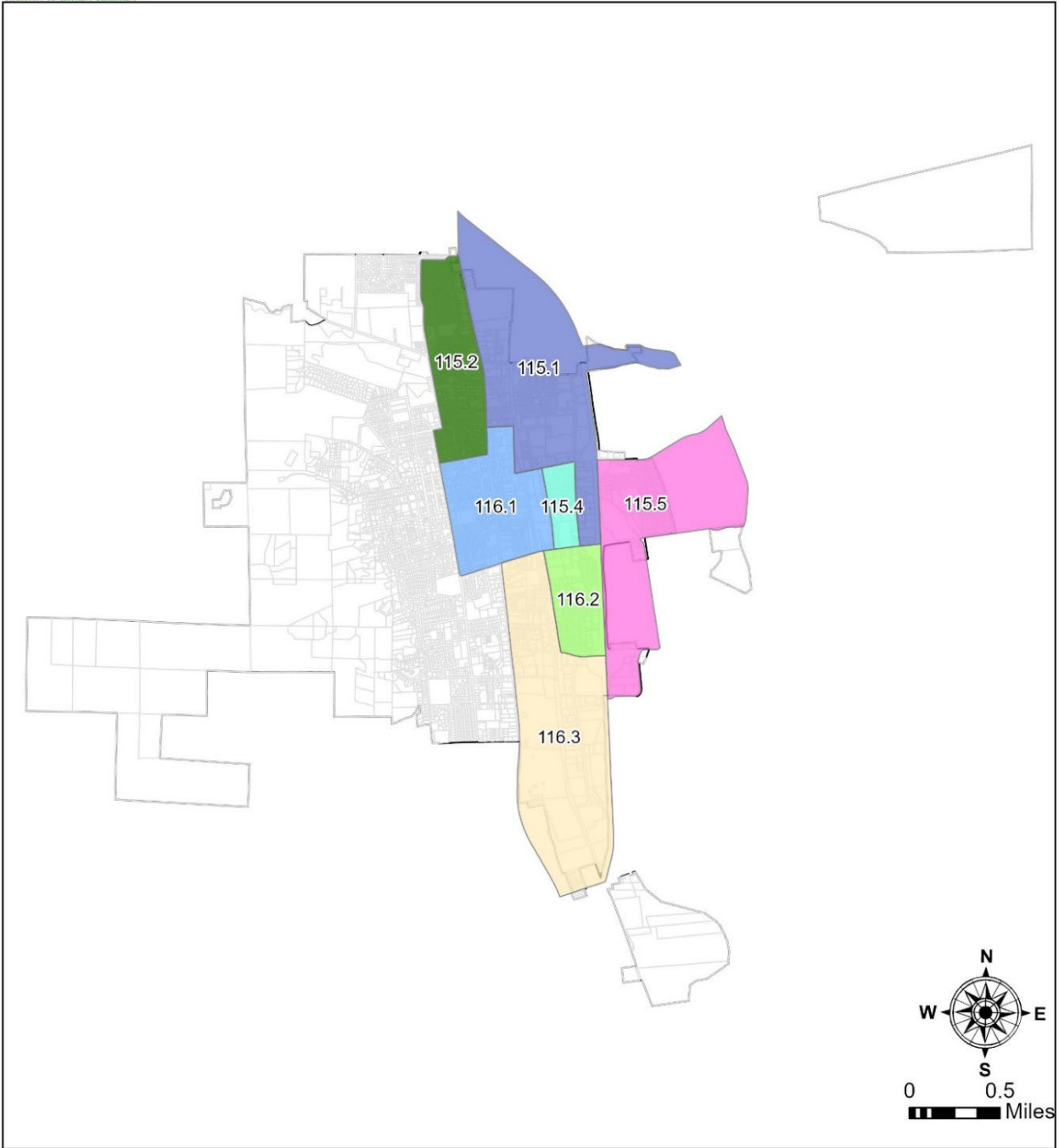
3.5 Scoring Methodology

Each housing unit received a structural condition score based on five major categories: Foundation, Roofing, Siding/Stucco, Windows, and Electrical. Scores reflect graduated levels of deterioration.

Total structural scores were calculated by summing category scores for each unit. Units were classified using the established structural thresholds: Sound (9 or less); Minor (10–15); Moderate (16–39); Substantial (40–55); Dilapidated (56).

For Block Group analysis, block group-level averages were calculated as Total Score divided by the Number of Units surveyed within each block group.

Additional information was gathered on each location, such as: vacancy status, whether the home was for sale at the time of the survey, construction type (stucco, wood framed, modular, etc. structure type (single family with garage, duplex, multi-family, etc.), frontage improvements (sidewalk, curb, gutter, etc.) along with the condition of the pavement and sidewalk in front of the residence. These sections were mainly yes or no options; however, the assessment of the pavement and sidewalk provided an option to rate the condition as good, poor, or missing.



Project Area Census Tract Block Groups Map

-  Ukiah Assessor Parcels
-  City of Ukiah City Limits

DO NOT USE TO DETERMINE LEGAL BOUNDARIES. NO WARRANTY, EXPRESSED OR IMPLIED, IS MADE REGARDING ACCURACY, ADEQUACY, COMPLETENESS, LEGALITY, RELIABILITY, OR USEFULNESS OF THIS INFORMATION.

4. Housing Unit Condition Analysis & Summary

A total of **3,201 units** were surveyed across 7 Census Tract Block Groups. Block group-level units ranged from **223** to **701** units. Block groups are defined by the boundaries that were established as part of the 2020 census. The following maps show the boundaries of the census block groups that were studied as part of this survey.

4.1 Structural Condition Categories

Foundation

Foundation conditions reflect structural aging and observable performance indicators. The 2026 revisions emphasize aging in place and visible integrity rather than crack identification alone.

Foundation scoring is based on the following ranges:

- **0–5:** New
- **6–10:** Aging in place
- **11–15:** 20+ years of age
- **16–25:** No foundation or major structural failure

This scale allows surveyors to distinguish between normal age-related wear and significant structural deficiencies.

Roofing

Roofing scores capture progressive deterioration, including weathering, tarping, delamination, and replacement need, allowing clearer differentiation between moderate aging and critical failure.

Roofing was evaluated using the following scale:

- **0:** New
- **1–5:** Weathered
- **6–10:** Heavy weathering
- **11–15:** Tarped, damaged, or section failure
- **16–20:** No spark arrester or visible delamination
- **21–25:** Needs replacement

This expanded range provides greater clarity in identifying roofs approaching failure versus those experiencing normal aging.

Siding / Stucco

Exterior wall conditions were evaluated along a continuum of deterioration, including weathering, rot, separation, and replacement thresholds.

Siding and stucco scoring criteria include:

- **0:** New
- **1–5:** Light weathering
- **6–10:** Heavy weathering or signs of rot
- **11–15:** Dry rot, material separation, or stucco breakage
- **16–20:** Needs replacement

This structure allows surveyors to distinguish between cosmetic aging and material failure requiring rehabilitation.

Windows

Window scoring emphasizes modernization and material type rather than isolated pane damage, providing a more accurate reflection of long-term condition.

Window evaluation is based on:

- **0:** New
- **1–4:** Vinyl replacement windows
- **5–9:** Original aluminum or wood-framed windows
- **10:** In need of replacement or single-pane

This approach reflects both modernization status and energy-efficiency implications.

Electrical

Electrical evaluation focuses on observable service panel condition and modernization. Interior wiring systems were not assessed.

Electrical scoring is as follows:

- **0:** New
- **1–5:** Meter face visible or panel unidentifiable
- **6–10:** Main panel requires replacement

This component evaluates visible service adequacy and modernization status only, consistent with the exterior-only survey methodology.

Structural Scoring Classification

Total structural points are aggregated and classified as follows:

- **Sound:** 9 or less
- **Minor Deterioration:** 10–15
- **Moderate Deterioration:** 16–39
- **Substantial Deterioration:** 40–55
- **Dilapidated:** 56

A dilapidated unit is defined as one that appears structurally unsound, exhibits nonexistent maintenance, and may require major rehabilitation or reconstruction.

5. Block Group-Level Condition Summary

Detailed block group level summaries by category follow:

Table 1 below summarizes survey coverage by Census Block.

Census Block ID	Units Surveyed	Total Score	Average Score	Condition
115.1	414	12,403	29.88	Moderate Deterioration
115.2	701	25102	35.68	Moderate Deterioration
115.4	223	10,308	46.22	Substantial Deterioration
115.5	289	9,351	32.36	Moderate Deterioration
116.1	632	26,668	42.20	Substantial Deterioration
116.2	472	15,195	32.19	Moderate Deterioration
116.3	470	11,792	25.09	Moderate Deterioration

Examples: Housing Units in Sound Condition



Example: Housing Unit in a Condition of Minor Deterioration



Example: Housing Unit in a Condition of Moderate Deterioration



Example: Housing Unit in a Condition of Substantial Deterioration



Example: Housing Unit in Dilapidated Condition



6. Block Group-Level Condition Analysis

Detailed block group-level summaries by category follow:

Census Tract Block Group 115.1



Housing Conditions Survey Map of CTBG 115.1

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

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Location and Boundaries

Census Block Group 115.1 is located in the north-central portion of Ukiah. The block group is largely bounded by U.S. Highway 101 to the north and east, with a small segment extending east of the highway. State Street forms the primary western boundary, and the southern edge transitions into adjacent residential neighborhoods south of Empire Drive. This positioning places the block group at a key interface between residential areas, the commercial corridor, and highway-oriented uses.

Neighborhood Character

Block Group 115.1 reflects a character of mixed land uses. Along State Street, the area includes a commercial corridor consisting of retail, service-oriented businesses, and office uses. Portions of the block group also contain light industrial and commercial service sites, particularly closer to the Highway 101 corridor.

Residential areas are interspersed between commercial and institutional uses, consisting primarily of single-family homes with some duplexes and small multi-family structures. The street pattern west of the highway follows a more traditional grid, while parcels near the highway corridor are more irregular in configuration.

Institutional and Community Assets

A notable feature within this block group is the Redwood Empire Fairgrounds, a significant regional facility that hosts community events, agricultural exhibitions, and large public gatherings. The Fairgrounds serve as both a community anchor and an emergency gathering location during regional incidents.

The block group also includes several educational facilities, including small charter schools and early childhood education centers. These institutional uses contribute to daytime activity and neighborhood foot traffic and reinforce the area's role as a mixed residential and community-serving district.

Housing Stock and Age

Housing within 115.1 reflects a mix of early- to mid-20th-century construction and post-war construction. Structures near State Street tend to be older and smaller in footprint, while areas closer to Highway 101 reflect later development and commercial adjacency. The age and varied construction periods contribute to a range of exterior material types and maintenance conditions.

Survey Results and Summary of Findings

Census Block Group 115.1 includes 414 surveyed residential units. **Overall condition** ratings were: Sound: 4 (1.0%); Minor Deterioration: 0 (0.0%); Moderate Deterioration: 307 (74.2%); Substantial: 103 (24.9%).

Condition	115.1
Sound	4
Minor Deterioration	0
Moderate Deterioration	307
Substantial	103
Dilapidated	0
	414

Foundations were largely classified as “Aging in Place” (259 units; 62.6%), with 155 units (37.4%) rated “New.”

Foundation Condition		
New (Score 0-5)		155
Aging in Place (Score 6-10)		259
20+ Years of Age (Score 11-15)		0
No Foundation/Major Failure (Score 16-25)		0
		414

Roofing showed 2 units (0.5%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	
New (Score 0)	5
Weathered (Score 1-5)	221
Heavily Weathered (Score 6-10)	186
Tarped/Damaged Section (Score 11-15)	2
No Spark Arrester, Delamination (Score 16-20)	0
Needs Replacement	0
	414

Siding/stucco conditions indicated 4 units (1.0%) with dry rot/separation or in need of replacement.

Siding/Stucco		
New (Score 0)		4
Light Weathering (Score 1-5)		305
Heavy Weathering (Score 6-10)		101
Dry Rot, Separation, Stucco Break (Score 11-15)		4
Needs Replacement (Score 16-20)		0
		414

Window conditions indicated 100 units (24.2%) likely needing replacement; an additional 303 units (73.2%) showed older window systems.

Windows		
New (Score 0)		5
Vinal Replacements (Score 1-4)		6
Old Aluminum/Original Wood Framing (Score 5-9)		303
Needs Replacement (Score 10)		100
		414

Electrical panel observations suggest 3 units (0.7%) where meter panel replacement may be needed.

Electrical		115.1
New (Score 0)		5
Meter Face Unidentifiable (Score 1-5)		406
Replace Meter Panel (Score 6-10)		3
		• 414

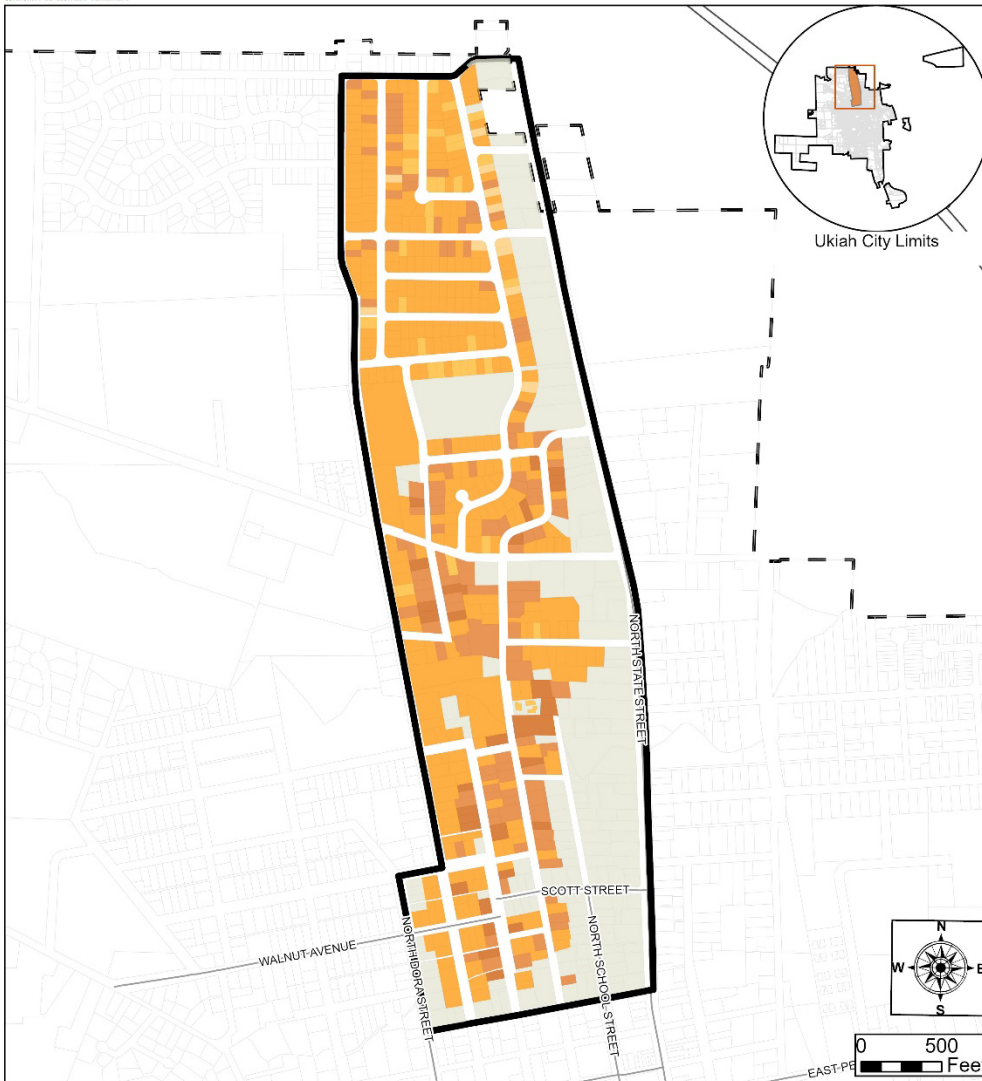
Housing unit **Construction type included** 396 wood (95.6%), 15 masonry (3.6%), 1 mobile, 0 modular, and 2 other.

Housing structure types were dominated by Multi-Family (216 units; 52.2%), followed by Single Family with Attached Garage (84 units; 20.3%).

Frontage improvements were generally present on most parcels (e.g., curbs/sidewalks/drainage/paved driveways present at 185 locations; 44.7%).

At the time of the curbside survey, 0 units were observed **vacant** and 0 units were posted **for sale**. 0 **garage conversions** and 0 **ADUs** were identified in the windshield survey of CTBG 115.1

Census Tract Block Group 115.2



Housing Conditions Survey Map of CTBG 115.2

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

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Location and Boundaries

Census Block Group 115.2 is located on the west side of central Ukiah. The block group is generally bounded by Empire Drive to the north, West Smith Street to the south, Bush Street to the west, and State Street to the east. This places the area immediately adjacent to the downtown core and within one of Ukiah's long-established residential neighborhoods.

Neighborhood Character

The area is characterized by a traditional grid street pattern, mature street trees, sidewalks, and smaller residential parcels. The western border of State Street is a commercial area that leads to the downtown area to the south. Its proximity to downtown supports walkability and access to commercial services, schools, parks, and civic facilities. Low Gap Road is a major street that runs through the center of this area, Mendocino County offices are located within this census block group, and the high school and recreational parks are located within close proximity to the west of this census block area.

The neighborhood contains a mix of single-family detached homes, duplexes, and small multi-family buildings. Residential density is moderate relative to more suburban areas of the city, reflecting incremental development over many decades. Rental and owner-occupied units are interspersed throughout the block group.

Housing Stock and Age

A significant portion of the housing stock in this area was constructed in the early to mid-20th century. Architectural styles and materials reflect these periods, including wood-frame construction, lap siding, stucco exteriors, and composition roofing. Due to the age of many structures, routine exterior maintenance plays an important role in preserving building integrity.

Survey Results and Summary of Findings

Census Block Group 115.2 includes 701 residential units surveyed. **Overall condition** ratings were: Sound: 11 (1.6%); Minor: 36 (5.0%); Moderate: 496 (70.8%); Substantial: 124 (17.7%); Dilapidated: 34 (4.9%).

Condition	115.2
Sound	11
Minor	36
Moderate	496
Substantial	124
Dilapidated	34
	701

Foundation conditions were predominantly stable, with 4 units (0.6%) flagged for major foundation failure/no foundation. 605 units were classified as “aging in place” and 49 as “20+ years of age.”

Foundation Condition	115.2
New (Score 0-5)	45
Aging in Place (Score 6-10)	605
20+ Years of Age (Score 11-15)	49
No Foundation/Major Failure (Score 16-25)	<u>2</u>
	701

Roofing showed 175 units (25.0%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	115.2
New (Score 0)	4
Weathered (Score 1-5)	374
Heavy Weathering (Score 6-10)	148
Tarped Damaged Section (Score 11-15)	122
No Spark Arrester, Delamination (Score 16-20)	43
Needs Replacement (Score 21-25)	<u>10</u>
	701

Siding/stucco conditions indicated 65 units (9.3%) with dry rot/separation or replacement-level deterioration.

Siding/Stucco	115.2
New (Score 0)	6
Light Weathering (Score 1-5)	416
Heavy Weathering (Score 6-10)	220
Dry Rot, Separation, Stucco Break (Score 11-15)	52
Needs Replacement (Score 16-20)	<u>13</u>
	701

Window conditions indicated 213 units (30.4%) likely needing replacement; an additional 299 units (42.7%) showed older window systems.

Windows	115.2
New (Score 0)	3
Vinal Replacements (Score 1-4)	186
Old Aluminum/Original Wood Framing (Score 5-9)	299
Needs Replacement (Score 10)	<u>213</u>
	701

Electrical panel observations suggest 182 instances (26.8%) where meter panel replacement may be needed. (Note: electrical tallies are observation-based and may not equal total units in areas with multi-meter configurations.).

Electrical	115.2
New (Score 0)	7
Meter Face Unidentifiable (Score 1-5)	512
Replace Meter Panel (Score 6-10)	<u>182</u>
	701

Housing unit **Construction type included** 694 wood (99.0%) 3 masonry, 0 mobile, 2 modular, and 2 other.

Housing structure types were dominated by Single Family with Attached Garage (316 units; 45.1%), followed by Multi-Family (144 units; 20.5%).

Frontage improvements were generally present on most parcels (e.g., curbs/sidewalks/drainage/paved driveways present at 693 locations; 98.9%).

At the time of the curbside survey, 4 units were observed **vacant** and 3 units were posted **for sale**. 22 **garage conversions** and 10 **ADUs** were identified in the windshield survey of CTBG 115.2.

Census Tract Block Group 115.4



Housing Conditions Survey Map of CTBG 115.4

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

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Location and Boundaries

Census Block Group 115.4 is centrally located within the eastern portion of Ukiah, west of U.S. Highway 101 and generally south of Block Group 115.1. The block group extends eastward from the traditional downtown grid toward Perkins Street and adjacent residential corridors. Its location places it between the historic core of the city and the more highway-oriented commercial development patterns to the east.

Neighborhood Character

Block Group 115.4 reflects a predominantly residential character with moderate density. The street network follows a traditional grid pattern in the western portion, transitioning into more varied parcel configurations toward the eastern edges. Residential uses are the dominant land use; however, the block group benefits from proximity to major commercial corridors along Perkins Street and State Street.

Housing types include single-family detached homes, duplexes, and a meaningful concentration of multi-family residential developments. Compared to 115.1, this block group contains a higher proportion of multi-dwelling units, contributing to greater overall residential density.

Commercial and Mixed-Use Interface

While primarily residential, 115.4 is influenced by its adjacency to commercial areas along Perkins Street, one of Ukiah's primary east-west corridors. Retail, service businesses, and neighborhood-serving commercial uses are located near the northern and eastern edges of the block group. This proximity provides convenient access to goods and services but also introduces transitional land use patterns between residential and commercial parcels.

Civic and Community Features

Block Group 115.4 benefits from its central location and access to public facilities and community-serving institutions within short walking or driving distance. The area is situated near schools, neighborhood parks, and public infrastructure that support daily residential life. The established grid pattern and infrastructure (curbs, sidewalks, gutters in many segments) reflect its long-standing role within the city's developed core.

Housing Stock and Age

The housing stock in 115.4 is largely mid-century in origin, with significant construction occurring between the 1940s and 1970s, supplemented by later infill and apartment development. Exterior materials commonly include stucco, wood siding, and composition roofing typical of that era. The presence of multi-family housing introduces variations in building scale and maintenance cycles compared to predominantly single-family neighborhoods.

The concentration of mid-century housing contributes to observable aging patterns in exterior finishes, roofing systems, and structural components, particularly where reinvestment has been incremental.

Survey Results and Summary of Findings

Census Block Group 115.4 includes 223 surveyed residential units. **Overall Condition** ratings were: Sound 0; Minor 0; Moderate: 99 (44.4%); Substantial 96 (43.0%); and Dilapidated 29 (13.0%).

Condition	115.4
Sound	0
Minor	0
Moderate	99
Substantial	96
Dilapidated	29
	224

Foundation conditions were predominantly stable, with 2 units (0.9%) flagged for major foundation failure/no foundation.

Foundation Condition	115.4
New (0-5)	1
Aging in Place (6-10)	173
20+ Years of Age (11-15)	48
No Foundation/Major Failure (16-25)	2
	224

Roofing condition showed 140 units (62.8%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	115.4
New (Score 0)	2
Weathered (Score 1-5)	35
Heavy Weathering (Score 6-10)	47
Tarped/Damaged Section (Score 11-15)	38
No Spark Arrester, Delamination (Score 16-20)	68
Needs Replacement (21-25)	34
	224

Siding/Stucco conditions indicated 49 units (22.0%) with dry rot/separation or replacement-level deterioration.

Siding/Stucco	115.4
New (Score 0)	0
Light Weathering (Score 1-5)	58
Heavy Weathering (Score 6-10)	117
Dry Rot, Separation, Stucco Break (Score 11-15)	27
Needs Replacement (Score 16-20)	22
	224

Window conditions indicated 53 units (23.8%) likely needing replacement; an additional 89 units (39.9%) showed older window systems.

Windows	115.4
New (Score 0)	0
Vinal Replacements (Score 1-4)	82
Old Aluminum/Original Wood Framing (Score 5-9)	89
Needs Replacement (Score 10)	53
	224

Electrical panel observations suggest 82 instances (36.8%) where meter panel replacement may be needed. (Note: electrical tallies are observation-based and may not equal total units in areas with multi-meter configurations.)

Electrical	115.4
New (Score 0)	0
Meter Face Unidentifiable (Score 1-5)	142
Replace Meter Panel (Score 6-10)	82
	224

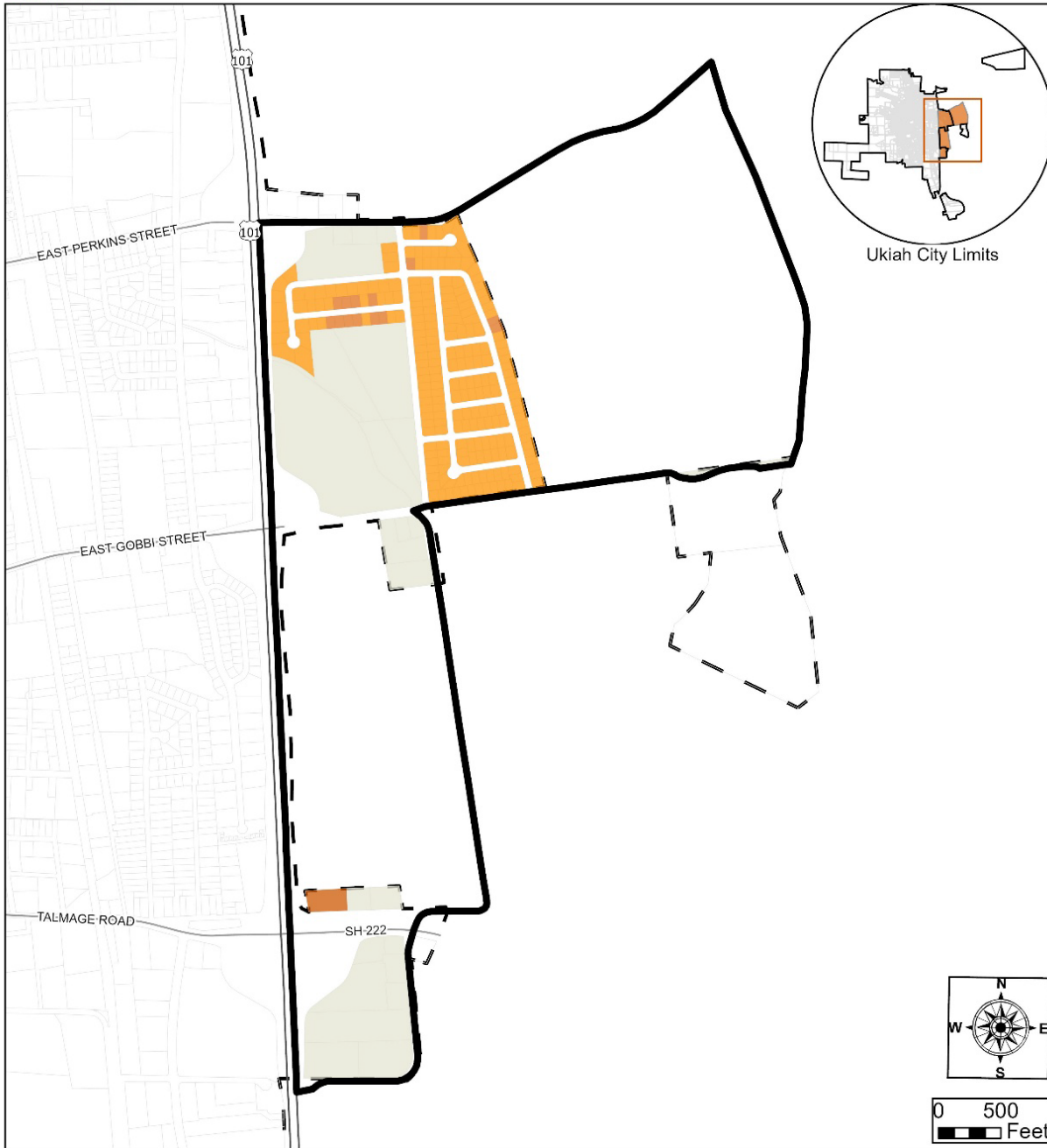
Housing unit **Construction type included** 161 wood (71.9%) 0 masonry, 0 mobile, 63 (28.1%) modular, and 0 other.

Housing structure types were dominated by Single Family with Carport (72 units; 32.3%), followed by Single Family with Attached Garage (67 units; 30.0%).

Frontage improvements were generally present on most parcels (e.g., curbs/sidewalks/gutters/paved driveways present at 222 locations; 99.6%).

At the time of the curbside survey, 0 units were observed **vacant** and 0 units were posted **for sale**. 0 **garage conversions** and 0 **ADUs** were identified in the windshield survey of CTBG 115.4.

Census Tract Block Group 115.5



Housing Conditions Survey Map of CTBG 115.5

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

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Location and Boundaries

Census Block Group 115.5 is located entirely east of the U.S. Highway 101 freeway, to the east of E. Perkins Street, E. Gobbi Street, and Talmadge Road. Most of the Block Group is actually outside of the Ukiah city limits. Those neighborhoods in CTBG 115.5 that are inside the city limits are in the Oak Manor neighborhood, east of Highway 101, south of E. Perkins Street, north of E. Gobbi Street, and west of Washo Drive (and including those houses on the eastern side of Washo Drive). Two additional pockets of CTBG 115.5 that are inside the city limits are just south of E. Gobbi Street and south of Talmadge Road. Those pockets are commercial and industrial areas with little or no housing units. According to the new September 2025 FEMA flood maps, most of the Oak Manor neighborhood is in the 100-year floodplain (zone AE on the FEMA map).

Neighborhood Character

The Oak Manor neighborhood in Block Group 115.5 reflects a predominantly residential character with moderate density. The street network follows a traditional grid pattern. Residential uses in Oak Manor are the dominant land use.

Housing types include single-family detached homes as well as some duplexes. Compared to 115.1, this block group contains a higher proportion of single family detached units, contributing to a generally lower level of residential density by overall local Ukiah standards.

Housing Stock and Age

The housing stock in 115.5 is largely 1970s to 1980s in origin. Exterior materials commonly include stucco, wood siding, and composition roofing typical of that era.

The concentration of late 20th century housing contributes to observable aging patterns in exterior finishes, roofing systems, and structural components, particularly where reinvestment has been incremental.

Survey Results and Summary of Findings

Census Block Group 115.5 includes 289 surveyed residential units. **Overall Condition** ratings were: Sound 0; Minor 0; Moderate 264 (91.3%); Substantial 24 (8.3%); and Dilapidated 1.

Condition	115.5
Sound	0
Minor	0
Moderate	264
Substantial	24
Dilapidated	1
	289

Foundation conditions were predominantly stable, with 1 unit (0.3%) flagged for major foundation failure/no foundation.

Foundation Condition	115.5
New (0-5)	63
Aging in Place (6-10)	166
20+ Years of Age (11-15)	59
No Foundation/Major Failure (16-25)	<u>1</u>
	289

Roofing condition showed 2 units (0.6%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	115.5
New (Score 0)	0
Weathered (Score 1-5)	114
Heavy Weathering (Score 6-10)	173
Tarped/Damaged Section (Score 11-15)	0
No Spark Arrester, Delamination (Score 16-20)	2
Needs Replacement (Score 21-25)	<u>0</u>
	289

Siding/Stucco conditions indicated 27 units (9.3%) with dry rot/separation or replacement-level deterioration.

Siding/Stucco	115.5
New (Score 0)	0
Light Weathering (Score 1-5)	138
Heavy Weathering (Score 6-10)	124
Dry Rot, Separation, Stucco Break (Score 11-15)	27
Needs Replacement (Score 16-20)	<u>0</u>
	289

Window conditions indicated 1 unit (0.3%) likely needing replacement; an additional 207 units (71.6%) showed older window systems.

Windows	115.5
New (Score 0)	0
Vinal Replacements (Score 1-4)	81
Old Aluminum/Original Wood Framing (Score 5-9)	207
Needs Replacement (Score 10)	<u>1</u>
	289

Electrical panel observations suggest 106 instances (36.7%) where meter panel replacement may be needed. (Note: electrical tallies are observation-based and may not equal total units in areas with multi-meter configurations.)

Electrical	115.5
New (Score 0)	0
Meter Face Unidentifiable (Score 1-5)	183
Replace Meter Panel (Score 6-10)	<u>106</u>
	289

Housing unit **Construction Type** included 289 wood (100%); 0 masonry; 0 mobile; 0 modular, and 0 other.

Housing Structure types were dominated by Single Family with Attached Garage (195 units; 67.5% followed by Duplex (65 units; 22.5%); Multi Family (23 units; 7.9%); Single Family with Detached Garage (3 units; 1.0%) and Single Family with No Garage (2 units; 0.6%).

Frontage improvements were present on almost all parcels (e.g., curbs/gutters/sidewalks/drainage/paved driveways were present at 284 locations; 98.2%).

At the time of the curbside survey, 0 units were observed **vacant** and 1 unit was posted **for sale**. 0 **garage conversions** and 0 **ADUs** were identified in the windshield survey of CTBG 115.5.

Census Tract Block Group 116.1



Housing Conditions Survey Map of CTBG 116.1

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

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Location and Boundaries

Census Block Group 116.1 is centrally located within Ukiah, positioned west of U.S. Highway 101 and generally south of Block Group 115.4. It encompasses a significant portion of the city's established residential neighborhoods and portions of the downtown core. The block group is generally bounded by East Perkins Street to the north (with a small segment extending north to Norton Avenue), East Gobbi Street to the south, Dora Street to the west, and Orchard Avenue to the east.

This location places 116.1 within the heart of Ukiah's urban fabric. While close to major north-south routes such as State Street and the Highway 101 corridor, much of the residential area remains buffered from direct highway frontage. The block group functions as an integral component of the city's central residential and downtown environment.

Neighborhood Character

Block Group 116.1 is predominantly residential, with moderate to moderately high residential density relative to neighborhoods along the city's western edge. The street layout reflects the traditional grid pattern characteristic of central Ukiah, with smaller block sizes, established sidewalks in many segments, and long-standing public infrastructure.

The housing mix includes single-family detached homes, duplexes, and a notable concentration of multi-family residential buildings. Compared to lower-density peripheral areas, 116.1 contains a higher proportion of rental housing and attached or clustered residential development, contributing to its more compact urban character.

The area is highly walkable due to its grid pattern, proximity to commercial corridors, and close access to civic amenities.

Downtown Core and Historic Railroad Area

A significant portion of 116.1 includes the downtown business district and adjacent historically significant areas. The block group contains portions of the former railroad yard between Perkins Street and Clay Street, extending toward Leslie Street and the railroad tracks to the west. This area has historically served as a commercial and transportation hub and continues to evolve through redevelopment and civic investment.

The downtown core contains a concentration of historic commercial structures, local businesses, and community-serving enterprises that contribute to Ukiah's economic and cultural identity.

The former railroad property within this block group is also the future site of the Mendocino County Superior Court facility, representing a major civic investment in the area. Adjacent to this corridor is an access point for the Ukiah segment of the Great Redwood Trail, further reinforcing the area's pedestrian and connectivity features.

Commercial and Civic Corridors

Perkins Street and Gobbi Street function as key east–west commercial corridors extending from Highway 101 into the downtown core.

Perkins Street includes retail and service uses as well as civic facilities such as the Mendocino County Library (Main Branch). This corridor provides an important connection between residential neighborhoods and downtown.

Gobbi Street contains a mix of affordable housing developments, neighborhood-serving grocery stores, and nearby county support service offices. The presence of both commercial and institutional uses along Gobbi contributes to the area’s role as a service-oriented corridor within the city.

Together, these corridors support strong walkability, access to employment, and proximity to public services.

Civic and Community Features

Due to its central location, 116.1 benefits from exceptional access to public amenities, including:

- The downtown commercial district
- The Mendocino County Library (Main Branch)
- Future Mendocino County Superior Court facility
- The rail trail corridor
- Public transit routes
- Established parks and recreational spaces nearby
- County support and service facilities

The concentration of civic and institutional uses contributes to daytime activity and reinforces the block group’s role as a mixed residential and civic district.

Housing Stock and Age

Housing stock in 116.1 primarily reflects mid-century construction, with many homes built between the 1940s and 1970s. Earlier 20th-century homes are present in portions closer to the downtown grid, while later infill and apartment development occurred in subsequent decades.

Exterior materials commonly include stucco, wood siding, and composition roofing typical of the era. Multi-family structures vary in scale, ranging from smaller duplexes to larger apartment complexes and affordable housing developments.

Given the age profile of the housing stock, observed exterior conditions often reflect cumulative aging of roofing systems, siding, and windows, particularly where preventative maintenance has

been deferred. The higher density and multi-family presence also influence the concentration of exterior condition observations within the block group.

Survey Results and Summary of Findings

Census Block Group 116.1 includes 632 surveyed residential units. **Overall Condition** ratings were: Sound: 6 (0.9%); Minor: 1 (0.2%); Moderate: 256 (40.5%); Substantial: 346 (54.7%); Dilapidated: 23 (3.6%).

Condition	116.1
Sound	6
Minor	1
Moderate	256
Substantial	346
Dilapidated	23
	632

Foundations were largely classified as “Aging in Place” (539 units; 85.3%), with 34 units (5.4%) rated “New.”

Foundation Condition	116.1
New (Score 0-5)	34
Aging in Place (Score 6-10)	539
20+ Years of Age (Score 11-15)	59
No Foundation/Major Failure (Score 16-25)	0
	632

Roofing showed 211 units (33.4%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	116.1
New (Score 0)	2
Weathered (Score 1-5)	146
Heavy Weathering (Score 6-10)	273
Tarped/Damaged Section (Score 11-15)	76
No Spark Arrester, Delamination (Score 16-20)	124
Needs Replacement (Score 21-25)	11
	632

Siding/Stucco conditions indicated 34 units (5.4%) with dry rot/separation or replacement-level deterioration.

Siding/Stucco	116.1
New (Score 0)	2
Light Weathering (Score 1-5)	224
Heavy Weathering (Score 6-10)	372
Dry Rot, Separation, Stucco Break (Score 11-15)	32
Needs Replacement (Score 16-20)	2
	632

Window conditions indicated 278 units (44.0%) likely needing replacement; an additional 152 units (24.1%) showed older window systems.

Windows	116.1
New (Score 0)	45
Vinal Replacements (Score 1-4)	157
Old Aluminum/Original Wood Framing (Score 5-9)	152
Needs Replacement (Score 10)	278
	632

Electrical panel observations suggest 259 units (41.0%) where meter panel replacement may be needed.

Electrical	116.1
New (Score 0)	12
Meter Face Unidentifiable (Score 1-5)	361
Replace Meter Panel (Score 6-10)	259
	632

Housing unit **Construction Type** included 512 wood (100%); 4 masonry (0.6%); 2 mobile (0.3%); 114 modular (18.0%), and 0 other.

Housing Structure types were dominated by Multi-Family (391 units; 61.9%), followed by Single Family with Detached Garage (101 units; 16.0%), then Single Family with Attached Garage (81 units; 12.8%), Single Family with No Garage (44 units; 6.9%), Single Family with Carport (9 units), and Duplexes (6 units).

Frontage Improvements were generally present on most parcels (e.g., curbs/gutters/drainage/sidewalks/paved driveways present at 554 locations; 87.7%).

At the time of the curbside survey, 5 units were observed **vacant** and 1 unit was posted **for sale**. 3 **garage conversions** and 1 **ADU** were observed during the windshield survey of CTBG 116.1.

Census Tract Block Group 116.2



Housing Conditions Survey Map of CTBG 116.2

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

DO NOT USE TO DETERMINE LEGAL BOUNDARIES. NO WARRANTY, EXPRESSED OR IMPLIED, IS MADE REGARDING ACCURACY, ADEQUACY, COMPLETENESS, LEGALITY, RELIABILITY, OR USEFULNESS OF THIS INFORMATION.

Location and Boundaries

Census Tract Block Group 116.2 is located in the south-central portion of Ukiah. The block group is generally bounded by East Gobbi Street to the north, extends south toward Talmage Road, is bordered by State Street to the west, and U.S. Highway 101 to the east.

This positioning places 116.2 along an important transitional zone between central residential neighborhoods and the Highway 101 corridor. Its eastern edge is directly influenced by highway proximity, while its western edge connects to established residential streets and neighborhood-serving commercial uses along State Street.

Neighborhood Character

Block Group 116.2 is predominantly residential, with moderate to higher residential density compared to neighborhoods farther west. The street layout reflects a combination of traditional grid patterns near State Street and more varied configurations closer to the highway corridor.

The housing mix includes:

- Single-family detached homes
- Duplexes and smaller multi-unit buildings
- Larger apartment complexes
- Affordable housing developments

Relative to other central block groups, 116.2 contains a notable concentration of multi-family residential properties and rental housing, contributing to a more compact residential environment.

The area remains highly accessible due to its proximity to major corridors, though portions nearer Highway 101 experience greater exposure to traffic-related activity.

Commercial and Corridor Influence

The block group benefits from adjacency to two major north–south transportation corridors:

- State Street, which serves as a mixed commercial and residential corridor with neighborhood-serving retail and service uses.
- U.S. Highway 101, which forms the eastern boundary and introduces highway-oriented development influences, including commercial uses and higher traffic volumes.

In addition, Gobbi Street provides an east–west commercial connection linking residential areas to Highway 101 and downtown. Along and near Gobbi Street are grocery stores, retail services, affordable housing developments, and nearby county support services.

The intersection of these corridors reinforces the area’s connectivity and walkability, particularly near commercial nodes.

Civic and Community Features

Due to its central-south location, 116.2 benefits from access to:

- Neighborhood-serving retail and grocery stores
- County support and service offices in the vicinity
- Public transit routes along major corridors
- Established infrastructure including sidewalks, curbs, and gutters in many segments
- Connections northward to the downtown core

While primarily residential, the block group’s proximity to key corridors enhances access to civic and institutional services.

Housing Stock and Age

Housing stock within 116.2 primarily reflects mid-century development, with significant construction occurring between the 1950s and 1970s. Subsequent decades introduced additional apartment complexes and infill development, increasing overall residential density.

Exterior materials commonly include stucco, wood siding, and composition roofing typical of that era. Multi-family buildings vary in scale and design, and their maintenance cycles differ from single-family properties.

Given the age of many structures and the concentration of rental housing, exterior condition observations often reflect cumulative aging of roofing systems, siding materials, windows, and exterior finishes. Proximity to highway and commercial corridors may also influence wear patterns on structures located along higher-traffic streets.

Survey Results and Summary of Findings

Census Tract Block Group 116.2 includes 472 surveyed residential units. **Overall condition** ratings were: Sound: 0 (0.0%); Minor: 1 (0.2%); Moderate: 251 (53.2%); Substantial: 211 (44.7%); Dilapidated: 9 (1.9%).

Condition	116.2
Sound	0
Minor	1
Moderate	251
Substantial	211
Dilapidated	9
	472

Foundation conditions showed that the majority of units, 378 were aging in place (80.0%) and 86 units (18.2%) were in the new category.

Foundation Condition	116.2
New (0-5)	86
Aging in Place (6-10)	378
20+ Years of Age (11-15)	8
No Foundation/Major Failure (16-25)	0
	472

Roofing showed 121 units (25.6%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	116.2
New (Score 0)	1
Weathered (Score 1-5)	203
Heavy Weathering (Score 6-10)	147
Tarped/Damaged Section (Score 11-15)	76
No Spark Arrester, Delamination (Score 16-20)	45
Needs Replacement (21-25)	0
	472

Siding/stucco conditions indicated 40 units (8.5%) with dry rot/separation or replacement-level deterioration.

Siding/Stucco	116.2
New (Score 0)	2
Light Weathering (Score 1-5)	232
Heavy Weathering (Score 6-10)	198
Dry Rot, Separation, Stucco Break (Score 11-15)	37
Needs Replacement (Score 16-20)	3
	472

Window conditions indicated 119 units (25.2%) likely needing replacement; an additional 184 units (39.0%) showed older window systems.

Windows	116.2
New (Score 0)	2
Vinal Replacements (Score 1-4)	167
Old Aluminum/Original Wood Framing (Score 5-9)	184
Needs Replacement (Score 10)	119
	472

Electrical panel observations suggest 70 units (14.8%) where meter panel replacement may be needed.

Electrical	16.2
New (Score 0)	1
Meter Face Unidentifiable (Score 1-5)	401
Replace Meter Panel (Score 6-10)	70
	472

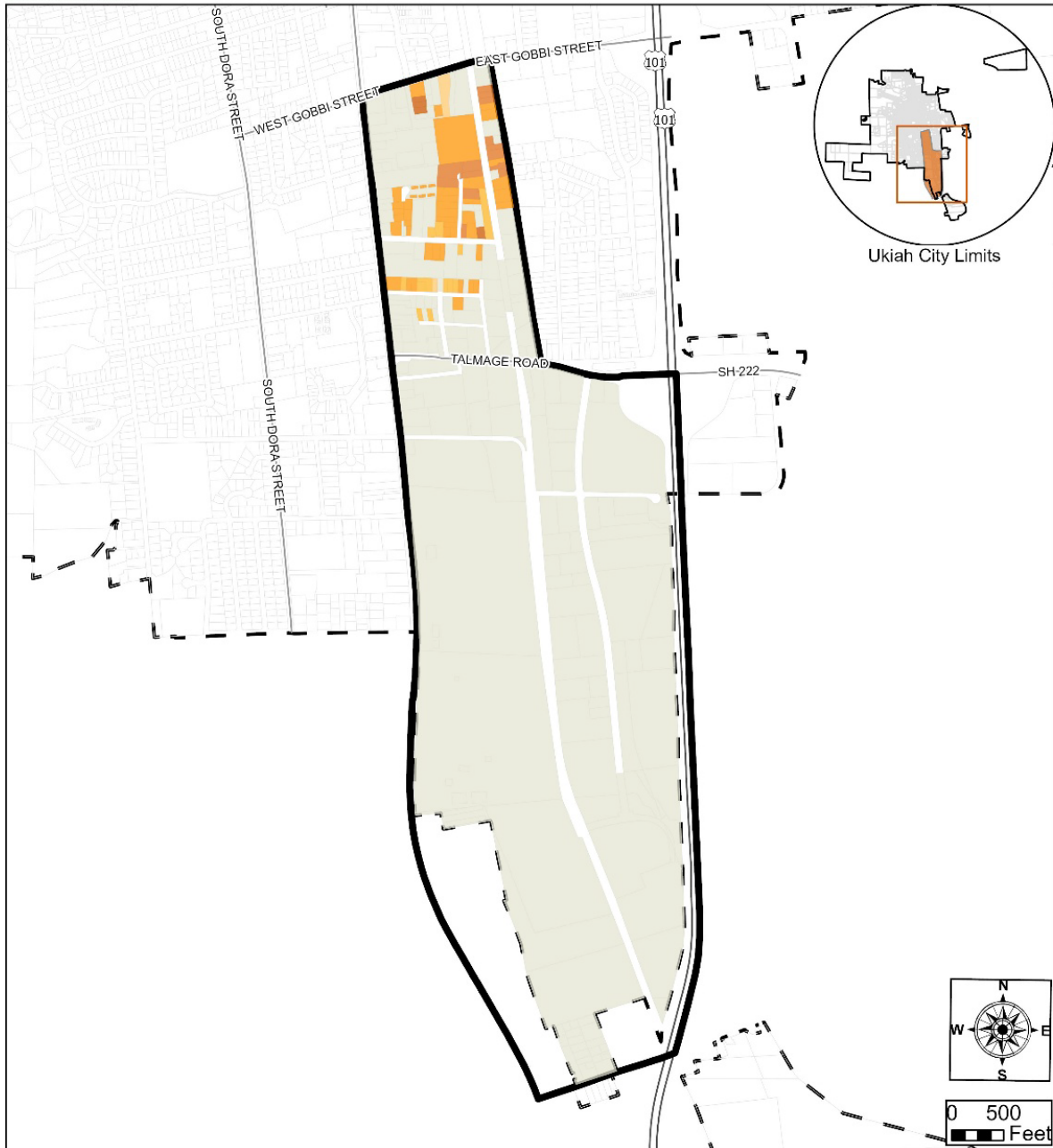
Construction type included 469 units with wood frames, 1 masonry, 2 mobile, 0 modular, and 0 other.

Housing **structure types** were dominated by Multi-Family (221 units; 46.8%), followed by Single Family with Attached Garage (137 units; 29.0%).

Frontage improvements were generally present on most parcels (e.g., curbs/gutters/drainage/paved driveways present at 365 locations; 77.3%).

At the time of the curbside survey, 3 units were observed **vacant** and 4 units were posted **for sale**.
0 Garage conversions and **2 ADUs** were observed in the windshield survey of CTBG 116.2

Census Tract Block Group 116.3



Housing Conditions Survey Map of CTBG 116.3

Ukiah Assessor Parcels	SOUND	MODERATE	DILAPIDATED
City of Ukiah City Limits	MINOR	SUBSTANTIAL	NON-RESIDENTIAL

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Location and Boundaries

Census Block Group 116.3 occupies the southernmost portion of the City of Ukiah. The block group lies south of Talmage Road and extends toward the southern city limits. It is generally bordered by U.S. Highway 101 to the east, with residential neighborhoods extending westward toward established local streets and transitional edges of the city.

This positioning places 116.3 at the interface between developed residential neighborhoods and more commercially oriented and transitional land uses along the city's southern boundary. Its proximity to Highway 101 strongly influences circulation patterns, land use configuration, and development intensity within the block group.

Neighborhood Character

Block Group 116.3 reflects a mixed character, combining residential neighborhoods with significant commercial, business park, and light industrial uses. While residential parcels remain concentrated in the northern portions of the block group, the southern and western segments transition into larger-scale commercial and employment-generating uses.

Residential density is moderate and includes:

- Single-family detached homes
- Duplexes and small multi-unit structures
- Select multi-family apartment complexes

Compared to Block Groups 116.1 and 116.2, 116.3 reflects less downtown influence and a stronger presence of business and commercial land uses. Residential pockets are interspersed among light industrial and commercial properties, particularly near corridor edges.

A dominant feature within this census block group is the Ukiah Municipal Airport, which occupies much of the southwestern portion of the block group. The airport significantly shapes surrounding land use patterns and limits residential development intensity in adjacent areas.

Another major feature is the Redwood Business Park in the southeastern portion of the block group. This area contains large-format retail establishments and regional commercial uses, including major retailers such as Costco, Walmart, FoodMaxx, and associated commercial businesses. These uses contribute to employment opportunities and regional shopping activity but also create distinct commercial concentrations separate from the residential neighborhoods to the north.

The City's completion of Phase 4 of the Rail Trail has extended an off-street multi-use path through portions of this block group, improving pedestrian and bicycle access between residential areas,

commercial centers, and business park uses. This infrastructure investment enhances connectivity and provides alternative transportation access within an otherwise corridor-dominated environment.

Corridor and Access Influence

The eastern boundary along Highway 101 provides strong regional accessibility but also introduces corridor-related influences, including:

- Increased traffic volumes along adjacent streets
- Highway-oriented commercial development near interchange areas
- Transitional land uses between residential neighborhoods and transportation infrastructure

Talmage Road and other east–west connectors provide important access between central Ukiah and southern commercial and employment areas. The combination of highway frontage and commercial nodes reinforces the block group’s role as a regional gateway area within the city.

Civic and Community Features

While less directly embedded within the downtown core than Block Group 116.1, 116.3 benefits from:

- Proximity to grocery stores and large-format retail
- Employment opportunities within the Redwood Business Park
- Public transit routes along major corridors
- The Rail Trail extension improving multimodal connectivity
- Established infrastructure in many residential segments

The block group serves both residential households and regional commercial activity, creating a blended residential–employment district within the city’s southern boundary.

Housing Stock and Age

Housing within 116.3 reflects a mix of mid-century development and later infill construction. A significant portion of the housing stock was constructed between the 1950s and 1980s, with additional apartment development occurring in subsequent decades.

Exterior materials commonly include stucco and wood siding, with composition roofing typical of the era. Compared to older central neighborhoods, some housing in 116.3 reflects later-era subdivision or corridor-adjacent development patterns.

Given the age distribution of the housing stock, observed exterior conditions often reflect gradual weathering of roofing systems, siding materials, windows, and exterior trim. Properties located near major corridors or commercial nodes may exhibit additional wear associated with traffic exposure and environmental factors.

Survey Results and Summary of findings

Census Block Group 116.3 includes 489 surveyed residential units. **Overall Condition** ratings were: Sound: 97 (20.6%); Minor: 13 (2.7%); Moderate: 255 (54.2%); Substantial: 101 (21.5%); Dilapidated: 4 (0.8%).

Condition	116.3
Sound	97
Minor	13
Moderate	255
Substantial	101
Dilapidated	4
	470

The **Foundation** Condition data showed that the foundations of the majority of units in CTBG 116.3 (458 units or 97.4%) were in relatively good condition and 0 with no foundation or major failure.

Foundation Condition	116.3
New (Score 0-5)	256
Aging in Place (Score 6-10)	202
20+ Years of Age (Score 11-15)	12
No Foundation/Major Failure (Score 16-25)	0
	470

Roofing showed 8 units (1.7%) with visible conditions consistent with higher-level repair need (tarping/damaged sections, delamination/no spark arrester, or replacement).

Roof Condition	116.3
New (Score 0)	64
Weathered (Score 1-5)	312
Heavy Weathering (Score 6-10)	86
Tarped Damaged Section (Score 11-15)	4
No Spark Arrester, Delamination (Score 16-20)	2
Needs Replacement (Score 21-25)	2
	470

Siding/stucco conditions indicated 11 units (2.3%) with dry rot/separation or replacement-level deterioration.

Siding/Stucco	116.3
New (Score 0)	64
Light Weathering (Score 1-5)	359
Heavy Weathering (Score 6-10)	36
Dry Rot, Separation, Stucco Break (Score 11-15)	6
Needs Replacement (Score 16-20)	5
	470

Window conditions indicated 116 units (24.7%) likely needing replacement; an additional 208 units (44.3%) showed older window systems.

Windows	116.3
New (Score 0)	64
Vinal Replacements (Score 1-4)	82
Old Aluminum/Original Wood Framing (Score 5-9)	208
Needs Replacement (Score 10)	116
	470

Electrical panel observations suggest 58 units (12.3%) where meter panel replacement may be needed.

Electrical	116.3
New (Score 0)	64
Meter Face Unidentifiable (Score 1-5)	348
Replace Meter Panel (Score 6-10)	58
	470

Housing unit **Construction type** included 470 wood, 0 masonry, 0 mobile, 0 modular and 0 other.

Housing **Structure types** were dominated by Multi-Family (345 units; 73.4%), followed by Single Family with No Garage (62 units; 12.9%).

Frontage improvements were generally present on most parcels (e.g., curbs/gutters/drainage/paved driveways present at 462 locations; 98.3%).

At the time of the curbside survey, 5 units were observed **vacant** and 0 units were posted **for sale**. 2 **garage conversions** and 2 **ADUs** were observed in the windshield survey of CTBG 116.3.

7. Comparative Analysis

Compared to the 2008 Housing Condition Survey, the 2026 findings reflect more moderate and substantial condition ratings within designated low- to moderate-income census block groups rather than broadly distributed conditions across citywide zones. While many neighborhoods continue to exhibit routine aging consistent with the natural lifecycle of residential structures, the cumulative effects of deferred maintenance over the past 18 years—combined with economic constraints, rising costs of construction materials, and increased demand and pricing for skilled labor needed to perform preventative maintenance—have contributed to more pronounced deterioration. Weathering (i.e. sun exposure, heat, storms) has further accelerated material aging in older housing stock.

Some differences between the 2008 and 2026 findings may also be attributed to updates in survey standards and methodology. The 2026 survey incorporated HCD-approved modifications designed to provide clearer, more practical tools for field surveyors and to improve consistency and objectivity in exterior scoring.

A further distinction is the survey approach. The 2008 study evaluated housing conditions citywide using a sampling method within each geographic zone. In contrast, the 2026 survey conducted a comprehensive curbside assessment of every residential unit within the designated low- to moderate-income census block groups. This shift from sample-based analysis to full population surveying provides a more precise and data-driven understanding of housing conditions in LMI neighborhoods.

One recommendation of this report is to expand the comprehensive survey methodology to the remaining areas of the City, should funding allow. Conducting a citywide assessment would provide a more complete understanding of overall housing conditions, strengthen neighborhood-level comparisons, and support broader long-term housing policy, rehabilitation prioritization, and application of resources to improve housing conditions citywide.

8. Priority Identification Framework

Based on the structural scoring analysis and block group-level condition data, Census Tract Block Groups were categorized according to overall condition trends, concentration of moderate-to-substantial deterioration, and presence of aging housing stock.

Priority classifications are intended to guide strategic deployment of available funding sources, including Community Development Block Grant (CDBG) programs and other state or federal housing rehabilitation resources.

High Priority

Census Block Groups identified as High Priority demonstrate:

- Higher average structural scores
- Greater concentration of Moderate, Substantial, or Dilapidated units
- Aging housing stock with deferred maintenance patterns
- Concentrations of multi-family or rental housing with observable exterior deterioration

Recommended Funding Sources to Assist with Needed Improvements

These areas would benefit from targeted CDBG-funded rehabilitation programs, including:

- Owner-occupied rehabilitation assistance
- Emergency repair programs
- Accessibility and aging-in-place modifications
- Façade or exterior improvement initiatives
- Potential leveraging of HOME, CalHome, or state housing preservation funds

Strategic, block group-level targeting may allow for visible neighborhood improvement and more efficient deployment of limited funding resources.

Moderate Priority

Moderate Priority areas demonstrate:

- Generally stable housing stock
- Concentrations of minor to moderate deterioration
- Aging materials approaching replacement thresholds

These neighborhoods are at risk of gradual decline if preventative maintenance is deferred.

Recommended Funding Alignment:

- Preventative maintenance assistance programs
- Small repair grants or low-interest rehabilitation loans
- Energy-efficiency upgrades
- Educational outreach on maintenance and modernization

Proactive intervention in Moderate Priority areas can prevent progression into higher-cost rehabilitation categories.

Stable / Low Priority

Stable or Low Priority areas reflect:

- Lower average structural scores
- Higher proportion of Sound or Minor classifications
- Evidence of ongoing maintenance and reinvestment

While these areas may not require concentrated intervention, they should remain eligible for citywide housing programs on an as-needed basis.

Recommended Funding Alignment:

- Continued citywide eligibility for rehabilitation programs
- Monitoring through future survey cycles
- Inclusion in infrastructure or neighborhood improvement planning

9. Key Findings

The 2026 Housing Condition Survey indicates that Ukiah’s housing stock within the designated low-to moderate-income Census Tract Block Groups remains largely functional but exhibits varying levels of age-related deterioration.

Findings suggests:

- Structural scores are most influenced by roofing age, siding deterioration, and window modernization status.
- Mid-century housing (1940s–1970s) constitutes the majority of surveyed units, contributing to consistent aging patterns across multiple block groups.
- Areas with higher concentrations of multi-family housing demonstrate more clustered moderate-to-substantial exterior deterioration.
- Highway-adjacent and corridor-influenced areas show slightly elevated exterior wear patterns consistent with age and environmental exposure.

10. Recommendations

Based on the findings of the 2026 Housing Condition Survey, the following recommendations are proposed:

Target Rehabilitation Funding in High Priority Areas

Direct CDBG and related housing rehabilitation resources toward Census Block Groups with the highest concentration of Moderate and Substantial deterioration. Targeted investment will allow the City to:

- Address the most pressing structural deficiencies
- Prevent further deterioration
- Stabilize neighborhoods with aging housing stock

Block group-level targeting may increase program efficiency and measurable impact.

Promote Preventative Maintenance in Moderate Areas

Implement preventative maintenance programs in Moderate Priority areas to slow progression of deterioration. This may include:

- Minor repair grants
- Low-interest loan programs
- Roof replacement assistance
- Energy-efficiency modernization support

Early intervention reduces long-term rehabilitation costs.

Conduct Housing Condition Assessments at Regular Intervals

Continue conducting comprehensive housing condition surveys at ten to 15-year intervals.

Regular assessments allow the City of Ukiah to:

- Track long-term condition trends
- Measure the impact of rehabilitation investments
- Identify emerging deterioration patterns
- Strengthen funding applications with current data

If funding allows, expanding future surveys citywide (beyond LMI block groups) would provide a more comprehensive understanding of overall housing conditions.

Make use of the data in this 2026 report in the implementation of future updates of the City's Housing Element.

Use Block Group-Level Data to Guide Strategic Funding Applications

Leverage detailed census block data to:

- Support competitive grant applications
- Align rehabilitation programs with demonstrated need
- Strengthen compliance with Housing Element objectives
- Improve program design and outcome tracking

Data-driven planning enhances transparency, defensibility, and funding competitiveness.

11. Appendices

- Appendix I – Housing Conditions Survey Instrument Form

Appendix 1

HOUSING CONDITION SURVEY

Address: _____ City: UKIAH

For Sale: Yes ___ No ___

Vacant : Yes ___ No ___

CONSTRUCTION TYPE:

Wood Frame _____ Masonry: _____

Mobile: _____ Modular: _____

Stucco: _____

Other _____

STRUCTURE TYPE:

Single Family w/ No Garage _____

Single Family w/ Detached Garage _____

Single Family w/ Attached Garage _____

Duplex _____ Other _____

Multi-Family _____ # of Units _____

FRONTAGE IMPROVEMENTS IF APPLICABLE:

Curbs Yes ___ No ___ Sidewalks Yes ___ No ___

Street Yes ___ No ___ Driveway Yes ___ No ___

Gutter Yes ___ No ___ Site Drainage Yes ___ No ___

Pavement: Good (G) _____ Missing (M) _____ Poor(P) _____

Sidewalk: Good /ADA compliant _____ Missing _____ Poor/ non-compliant _____

#1 - FOUNDATION:

0-5 NEW

6-10 Aging in place

11-15 20+ years of age

16-25 No foundation/ major failure

#4 - WINDOWS:

0 NEW

1-4 Vinyl replacements

5-9 Old Aluminum/ Original wood framing

10 In need of replacement/Single-pane

#2 - ROOFING:

0 NEW

1-5 Weathered

6-10 Heavy weathering

11-15 Tarped, damage, section

16-20 No spark arrester, delamination

21-25 Need replacement

#5 ELECTRICAL:

0 NEW

1-5 Meter face/ unidentifiable

6-10 Replace main panel

#3 - SIDING/STUCCO:

0 NEW.

1-5 Light weathering

6-10 Heavy weathering/ sign of rot.

11-15 Dry rot, separation, stucco break

16-20 Needs replacement

DILAPIDATED UNIT

56 Building appears structurally unsound & maintenance is nonexistent, not fit for human habitation in current condition, may be considered for demolition or at a minimum major rehabilitation.

STRUCTURAL SCORING CRITERIA

Sound: 9 or less Minor: 10 – 15 Moderate: 16 – 39 Substantial: 40 – 55 Dilapidated: 56

SCORING

#1 Foundation	#2 Roofing	#3 Siding	#4 Windows	#5 Electrical	TOTAL POINTS

Comments: _____

Surveyor: _____ Date: _____

RESOLUTION NO. 2026-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH ACKNOWLEDGING ACOMPLISHMENTS AND CONFIRMING ACTIVITY COMPLETION OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PLANNING ACTIVITY: CITY OF UKIAH HOUSING CONDITIONS SURVEY

WHEREAS, on June 15, 2022, the City Council adopted Resolution 2022-41 authorizing the submittal of a State Community Development Block Grant (CDBG) application in response to the 2022 CDBG Notice of Funding Availability (NOFA) issued by the State Department of Housing and Community Development (HCD); and

WHEREAS, the City was awarded \$99,689.00 in State CDBG funds for Standard Agreement 22-CDBG-PL-20038 for the "City of Ukiah Housing Conditions Survey" and executed the Standard Agreement on September 8, 2023; and

WHEREAS, the project has been completed, grant activity funds have been expended, and the City has been approved for reimbursement of \$99,689 by HCD for all project Activity expenses.

WHEREAS, the State CDBG program requires that City staff present a report on project accomplishments and performance after the project has been completed; and

WHEREAS, the State CDBG program requires the City Council to conduct a public hearing to receive public comment and adopt a Resolution acknowledging accomplishments, confirming activity completion, and confirming approval of reimbursement of all grant funds from HCD requested by the City through Standard Agreement 22-CDBG-PL-20038.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The City Council of the City of Ukiah has reviewed the activity staff report and acknowledges the project accomplishments, which include the completion of the "City of Ukiah Housing Conditions Survey";
2. The City Council confirms activity completion;
3. The City Council confirms that the City has been approved for reimbursement of the grant-related funds from the State and is ready to close out standard agreement 22-CDBG-PL-20038.

THE FOREGOING RESOLUTION WAS ADOPTED at a regular meeting of the City Council of the City of Ukiah held on the 3rd day of June, 2026, by the following roll call vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

Susan Sher, Mayor

STATE OF CALIFORNIA

City of Ukiah

ATTEST:

I, Kristine Lawler, City Clerk of the City of Ukiah, State of California, hereby certify the above and foregoing to be a full, true, and correct copy of a resolution adopted by said City Council on this 3rd day of June, 2026.

Kristine Lawler, City Clerk
of the City of Ukiah of the State of California

By: _____



AGENDA SUMMARY REPORT

SUBJECT: Presentation by PFM Asset Management LLC Regarding the City's Investment Portfolio and Consideration of Revisions to the City's Investment Policy.

DEPARTMENT: Finance

PREPARED BY: Dan Buffalo, Finance Director

PRESENTER: Allison Kaune, PFM Asset Management

ATTACHMENTS:

1. Quarterly Investment Report - CITY OF UKIAH CALIFORNIA - 20260331_final
2. PFMAM Presentation to Ukiah_City_Council_June 2026
3. Ukiah_Investment Policy Approved 5-21-25_REVIEW 2026
4. Ukiah IP 2026 Review Memo_final

Summary: The City Council will receive a presentation from PFM Asset Management LLC ("PFM") regarding the performance and composition of the City's investment portfolio for the quarter ended March 31, 2026, including current market conditions and economic outlook. Council will also consider proposed revisions to the City's Statement of Investment Policy recommended as part of the annual policy review process.

Background: The City of Ukiah contracts with PFM Asset Management LLC ("PFM"), an independent investment advisor, to assist with management of the City's investment portfolio and to provide periodic reporting and annual review of the City's Statement of Investment Policy. PFM also provides market analysis, portfolio strategy recommendations, and ongoing compliance monitoring with applicable provisions of the California Government Code.

PFM annually reviews the City's Investment Policy to ensure continued compliance with California Government Code sections governing the investment of public funds. As part of the 2026 annual review, PFM evaluated recent statutory changes enacted through Senate Bills 595, 858, 827, and 852 and provided recommendations regarding updates to the City's Investment Policy.

The proposed revisions to the Investment Policy are primarily technical and statutory in nature and include:

- Extending the allowable maturity limit for eligible commercial paper from 270 days to 397 days, consistent with recent amendments to Government Code Section 53601; and
- Updating references related to the sunset date associated with zero-interest accrual federal securities investments from January 1, 2026, to January 1, 2031.

PFM also noted recent changes to state law related to training requirements for local agency officials and Political Reform Act filing procedures, though those changes do not require revisions to the City's Investment Policy at this time.

Attachment 4 includes PFM's memorandum summarizing the annual policy review process, recent changes to California Government Code affecting public agency investments, and PFM's recommended revisions to the City's Investment Policy.

The revised Investment Policy is included as Attachment 3, which includes notations on what is changing per PFM's recommendation.

Discussion: PFM will provide the City Council with an overview of the City's investment portfolio and economic environment for the quarter ended March 31, 2026. Topics expected to be discussed include:

- Current market conditions and interest rate trends;
- Federal Reserve monetary policy;
- Geopolitical and inflationary pressures affecting fixed income markets;
- Portfolio allocation and diversification;
- Investment performance relative to benchmark indices; and
- Portfolio compliance with the City's Investment Policy.

As of March 31, 2026, the City's investment portfolio had a total market value of approximately \$20.74 million, with a portfolio yield at market of 4.14% and an average credit quality of AA.

The portfolio remained diversified among U.S. Treasuries, corporate securities, asset-backed securities, agency CMBS, and municipal holdings. Portfolio performance for the trailing one-year period was 4.19%, outperforming the benchmark return of 3.75%.

The quarterly investment report is included as Attachment 1, and the presentation materials prepared by PFM are included as Attachment 2.

Recommended Action: Receive the presentation from PFM Asset Management LLC regarding the City's investment portfolio and adopt the revised Statement of Investment Policy.

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: PFM Asset Management LLC

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): N/A

Approved: 
Sage Sangiacomo, City Manager



CITY OF UKIAH, CALIFORNIA

Investment Performance Review For the Quarter Ended March 31, 2026

Client Management Team

Monique Spyke, Managing Director
Allison Kaune, Relationship Manager

PFM Asset Management A division of U.S. Bancorp Asset Management, Inc

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Economic Update

Current Market Themes



- ▶ Geopolitics has overtaken U.S. macro fundamentals as the market's primary focus
 - ▶ Conflict in Iran has increased near-term inflation risks due to higher commodity prices
 - ▶ Unemployment rate remains stable with net new job creation near zero
 - ▶ Consumer spending and business investment continue to support growth, though momentum is slowing



- ▶ The Federal Reserve paused during both meetings in Q1, keeping rates at 3.50-3.75%
 - ▶ The median "dot plot" projection continues to show one 25 basis point cut in 2026, though individual projections showed less easing
 - ▶ Fed Chair Powell acknowledged the path forward is complicated by geopolitical uncertainty, making it more difficult for the Fed to balance its dual mandate



- ▶ Rising front-end yields unwound the inversion in the Treasury curve
 - ▶ Rate cut expectations were pushed further out, lifting front-end yields
 - ▶ Escalating Middle East conflict drove a spike in volatility
 - ▶ Credit spreads widened from historically tight levels amid heavy supply and geopolitical pressure

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of March 31, 2026.

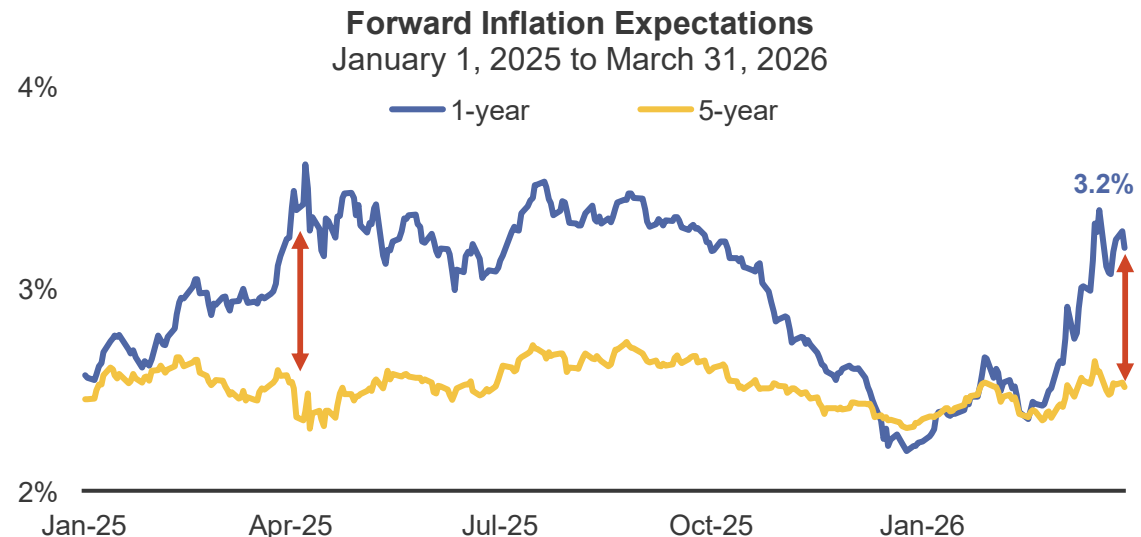
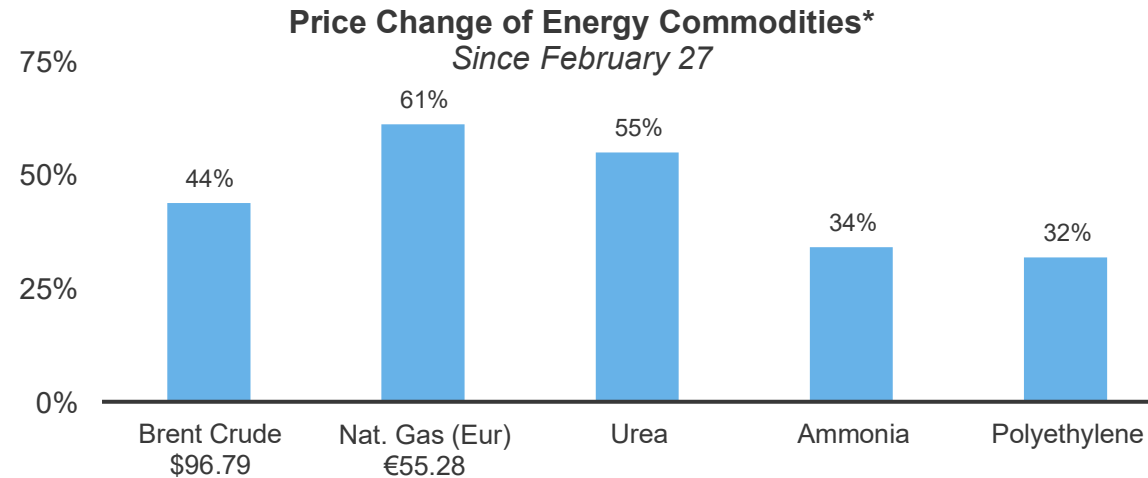
Market Pricing Conflict In Iran

► Closure of the Strait of Hormuz creates a supply shock

- Higher oil prices pressure agricultural and industrial inputs
- Duration of price shock more important than magnitude

► Federal Reserve likely to remain on hold as it assesses evolving risks

- Headline inflation expected to rise though uncertainty remains regarding passthrough to core inflation and labor markets
- Fed to look through supply-side energy shock if inflation expectations remain anchored

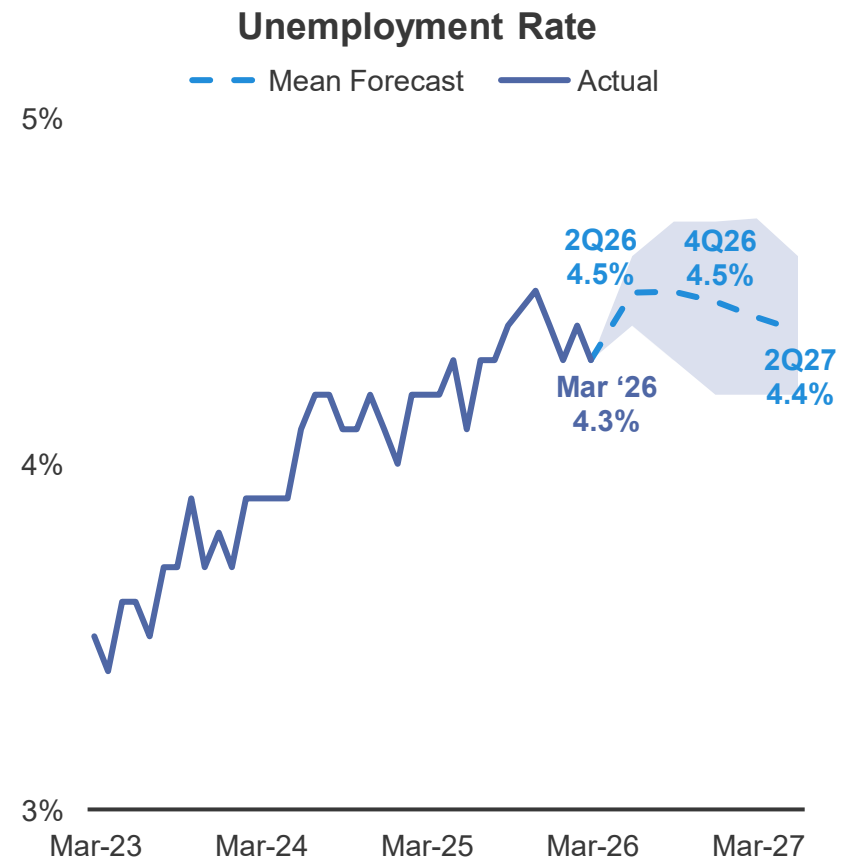
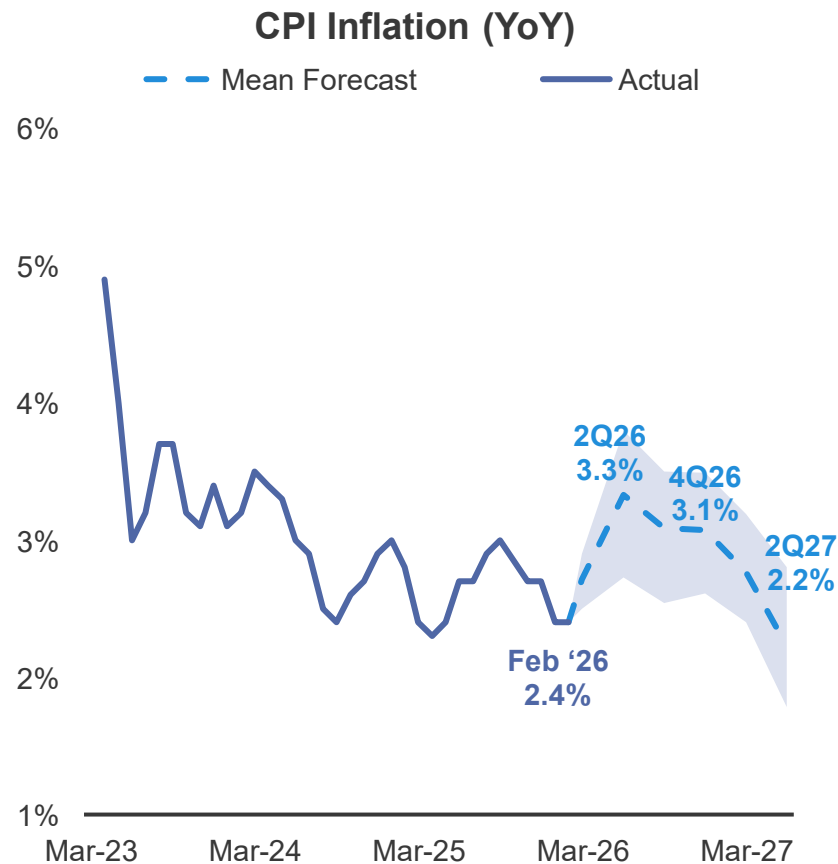


*Brent Crude are quoted in dollars per barrel based on the front-month futures contract. Natural gas prices are quoted in euros per megawatt-hour. Ammonia, and urea prices are based on the front-month exchange-traded futures contract. Polyethylene is price are based on the active exchange-traded futures contract.

Source: Bloomberg Finance L.P., as of March 31, 2026. Market implied inflation expectations shown using 1-year and 5-year inflation swaps.

Macro Data Takes a Back Seat

Fed Chair Powell: "What we have is some tension between the goals, and we're trying to manage our way through it."

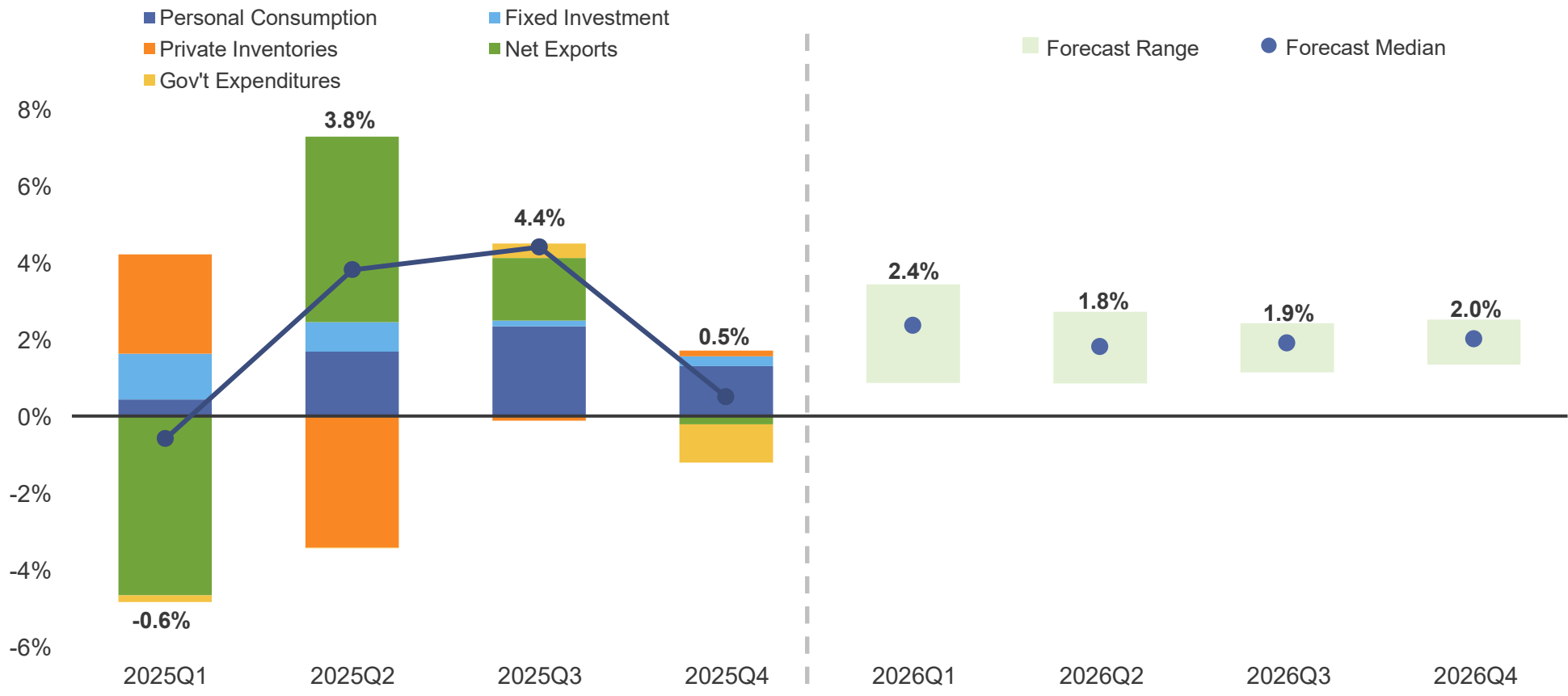


Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. Bureau of Labor Statistics and Bloomberg Finance L.P. CPI Inflation as of February 2026 and Unemployment Rate as of March 2026. Survey responses after March 27, 2026, included in mean and forecast range for CPI Inflation and Unemployment Rate. Shading represents the central 80% of the forecasts.

U.S. Growth Forecasts Remain Steady

Fed Chair Powell: “[I]f we have a long period of much higher gas prices, that is going to weigh on consumption... Meanwhile, the economy is solid... It’s just we don’t know what the effects of this will be.”

U.S. Real GDP Contributors and Detractors

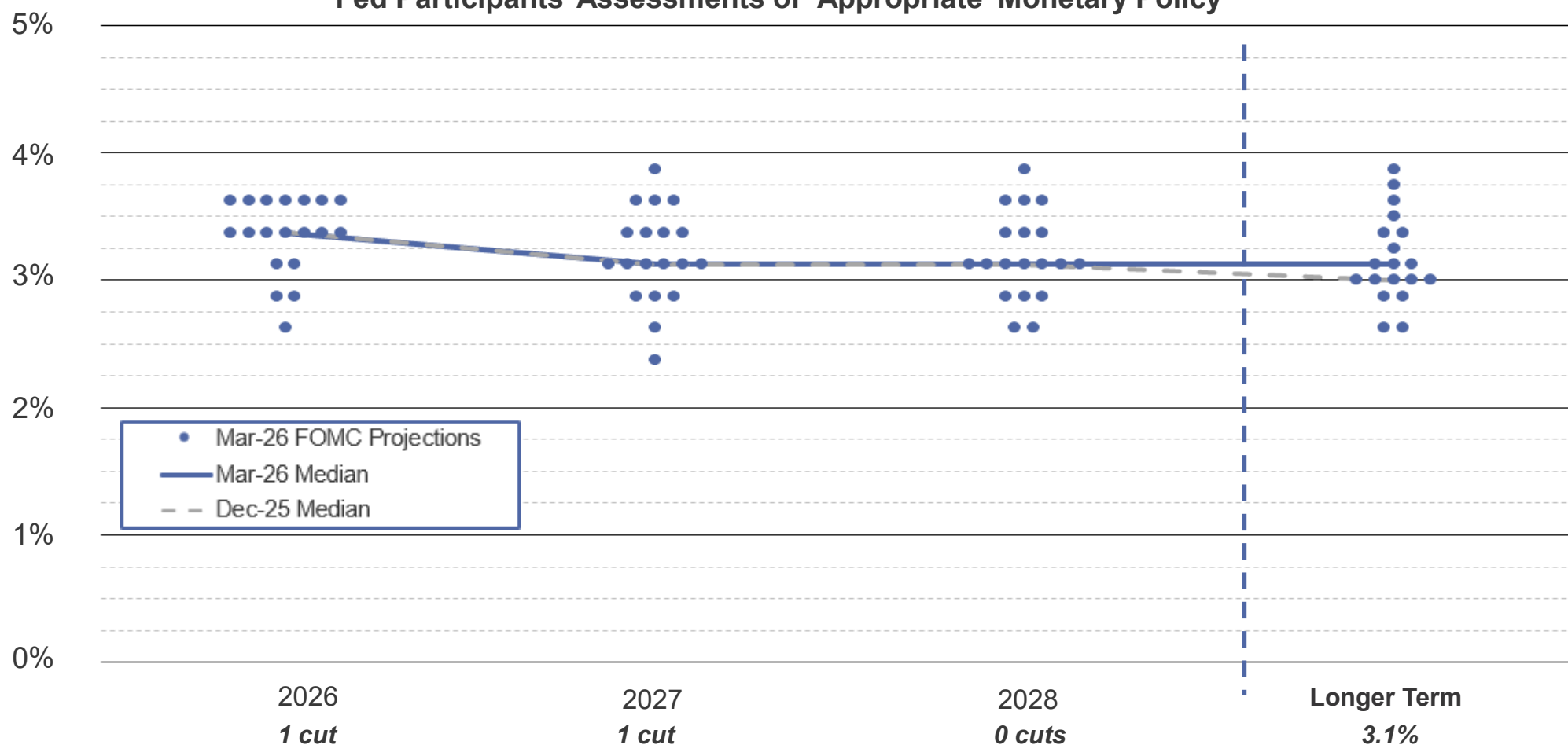


Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. Bloomberg Finance L.P. and Bureau of Economic Analysis, as of December 2025 (left). Survey responses after March 27, 2026, included in Median and forecast range. Shading represents the central 80% of the forecasts (right).

The Latest Fed “Dot Plot”

Fed Chair Powell: “We feel like the framework calls to balance the risks. We feel where we are now is on the higher borderline of restrictive versus not restrictive, we feel like that is the right place to be.”

Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy

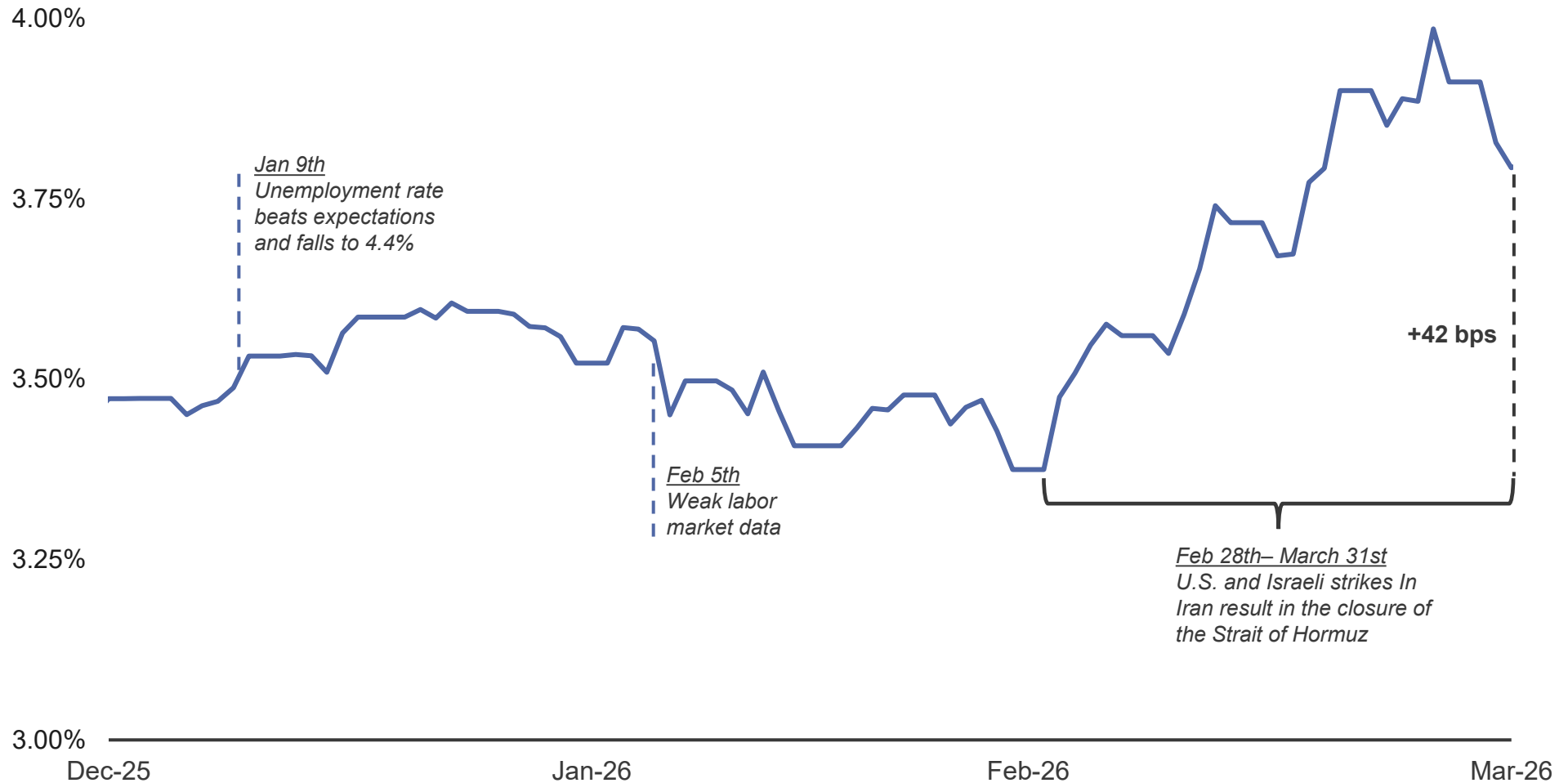


Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. Federal Reserve; Bloomberg Finance L.P. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of March 2026.

Treasury Yields Reach 8-Month High

2-Year U.S. Treasury Yield

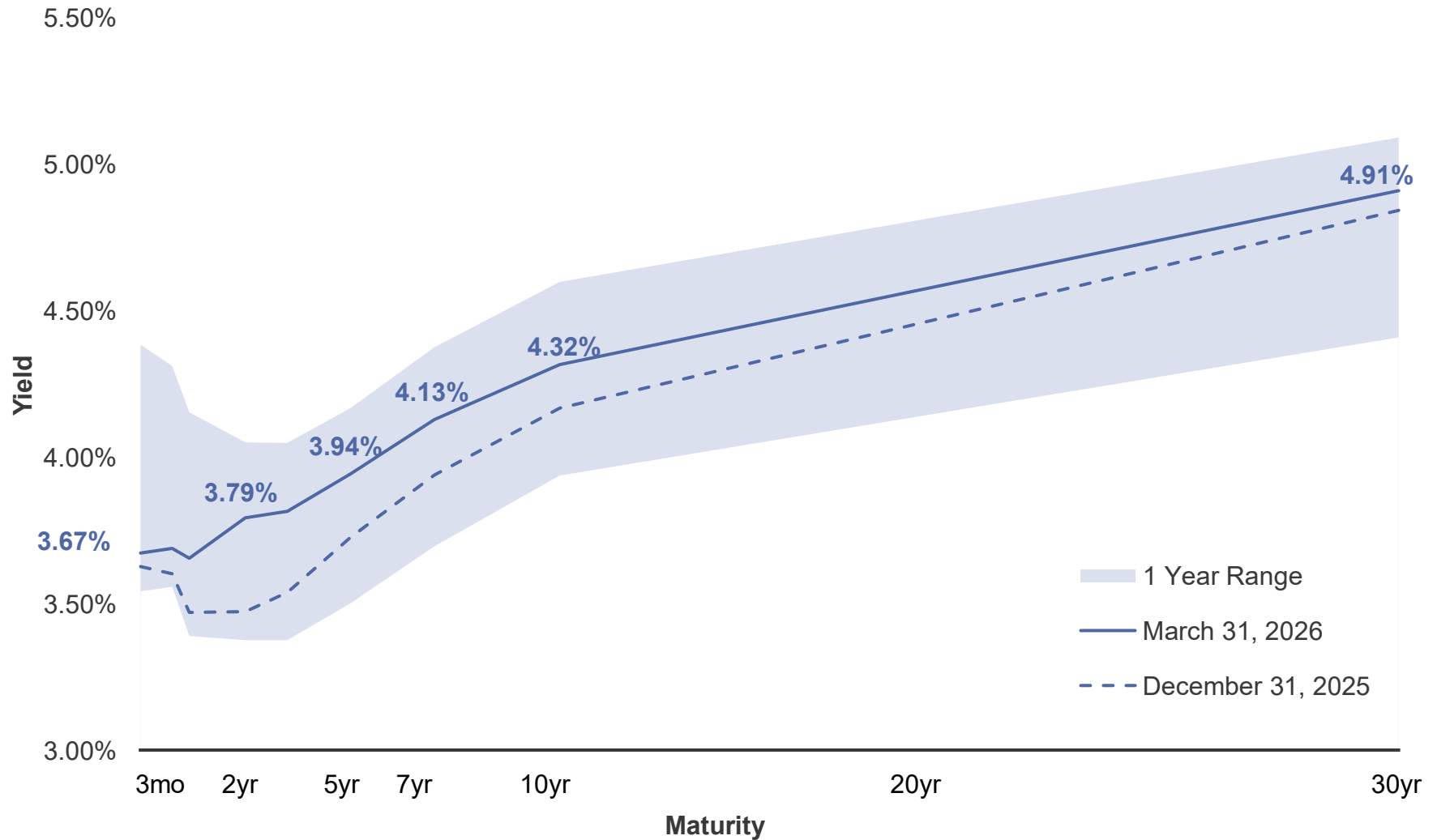
December 31, 2025 – March 31, 2026



Source: Bloomberg Finance L.P., as of March 31, 2026.

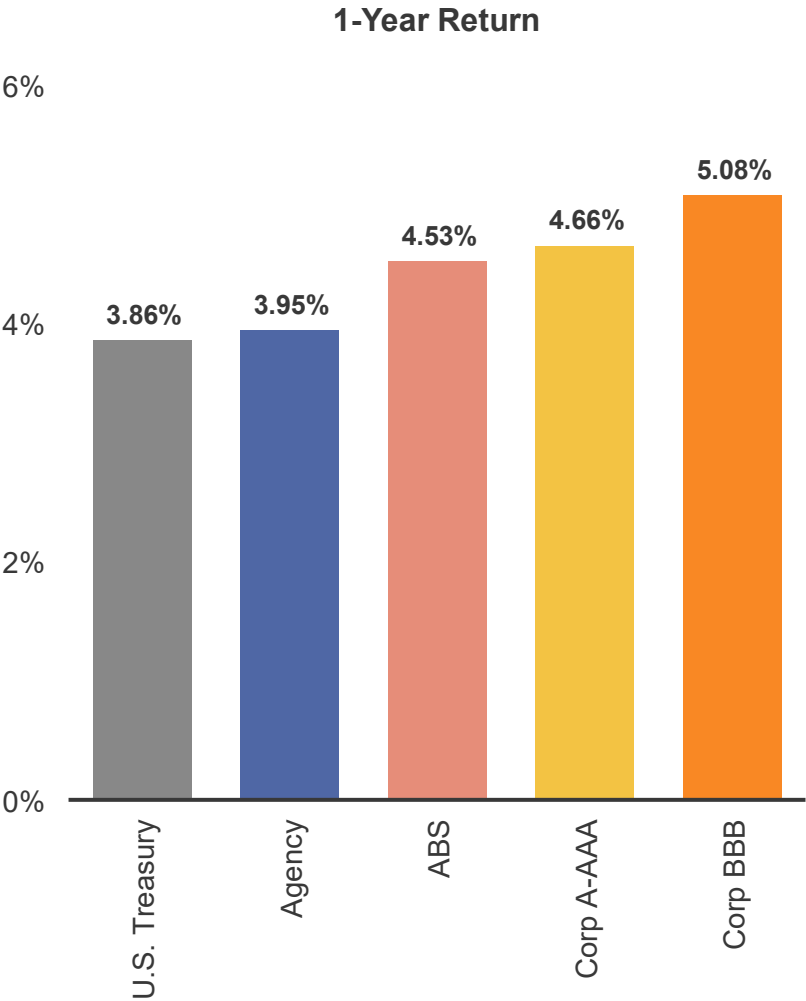
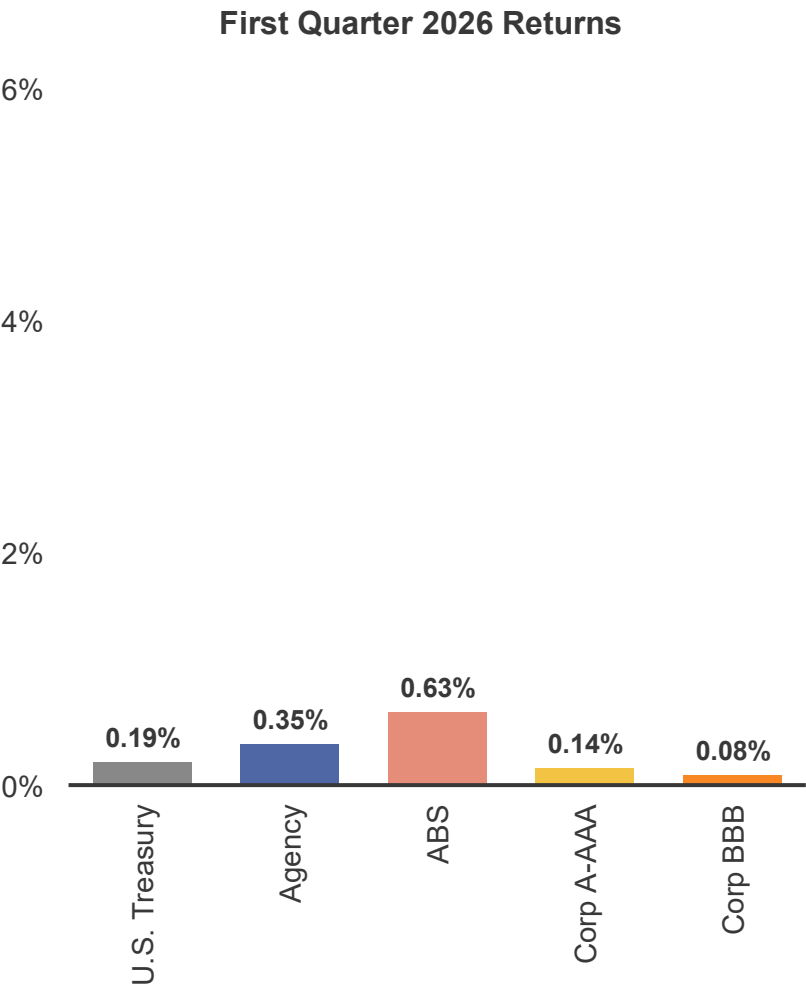
Treasury Yields Rise Across the Curve

U.S. Treasury Yield Curve



Source: Bloomberg Finance L.P., as of March 31, 2026.

Fixed-Income Index Total Returns in 1Q 2026
1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of March 31, 2026.

Portfolio Review: CITY OF UKIAH, CALIFORNIA

Certificate of Compliance

During the reporting period for the quarter ended March 31, 2026, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

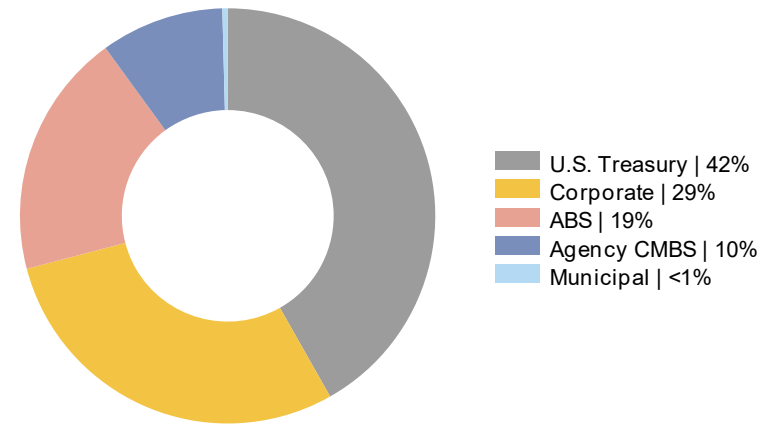
Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

Portfolio Snapshot - CITY OF UKIAH, CALIFORNIA¹

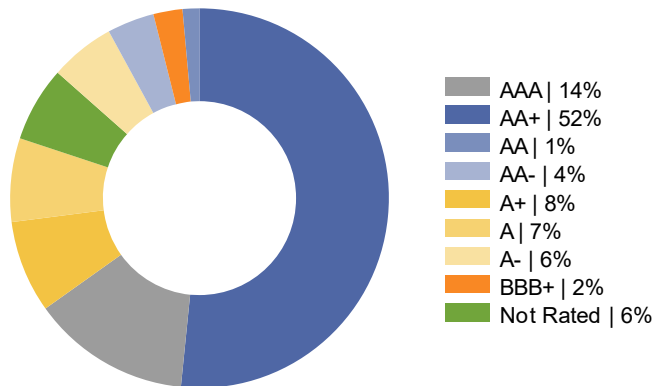
Portfolio Statistics

Total Market Value	\$20,738,708.57
Securities Sub-Total	\$20,561,811.96
Accrued Interest	\$138,713.44
Cash	\$38,183.17
Portfolio Effective Duration	1.79 years
Benchmark Effective Duration	1.76 years
Yield At Cost	4.14%
Yield At Market	4.04%
Portfolio Credit Quality	AA

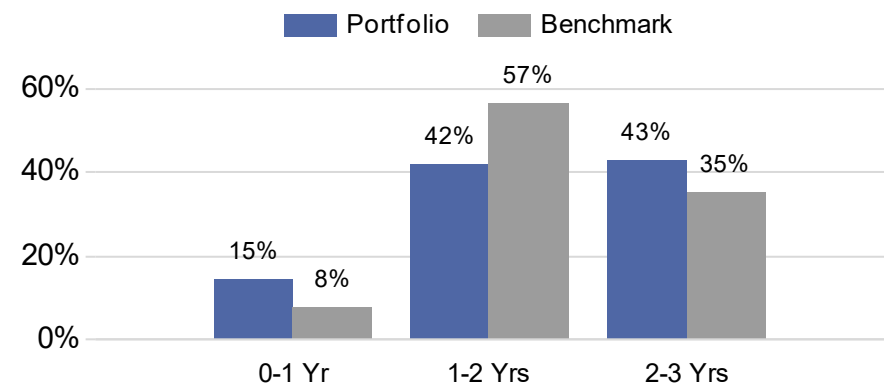
Sector Allocation



Credit Quality - S&P



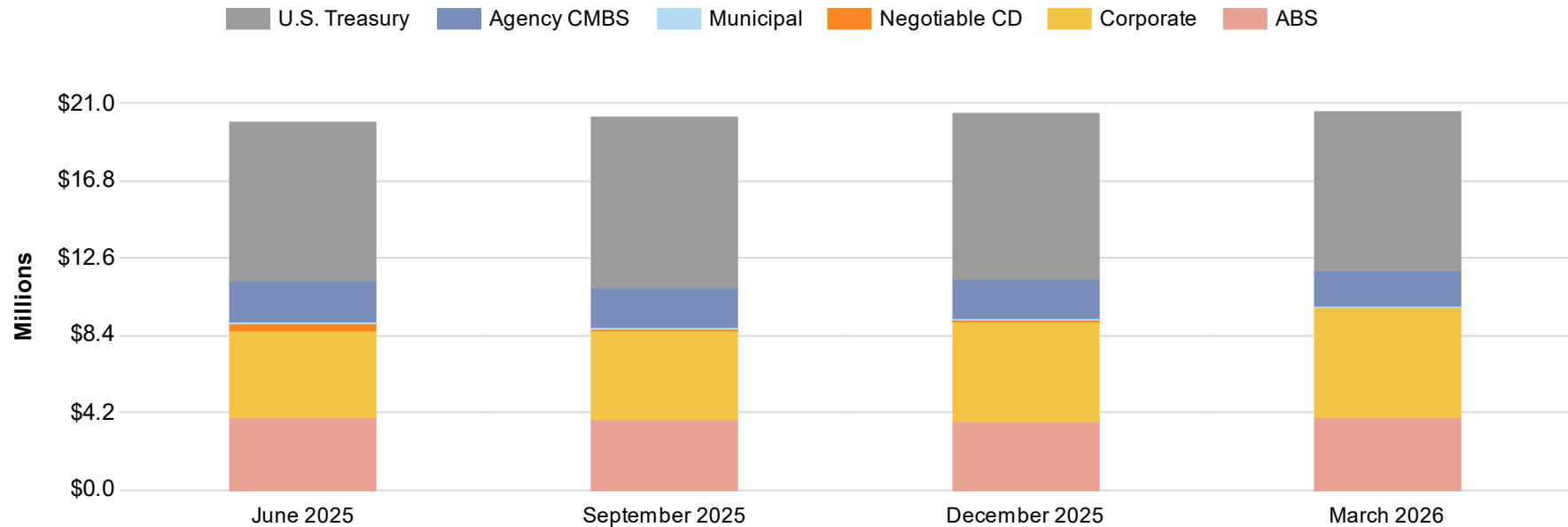
Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg Financial LP. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation Review - CITY OF UKIAH, CALIFORNIA

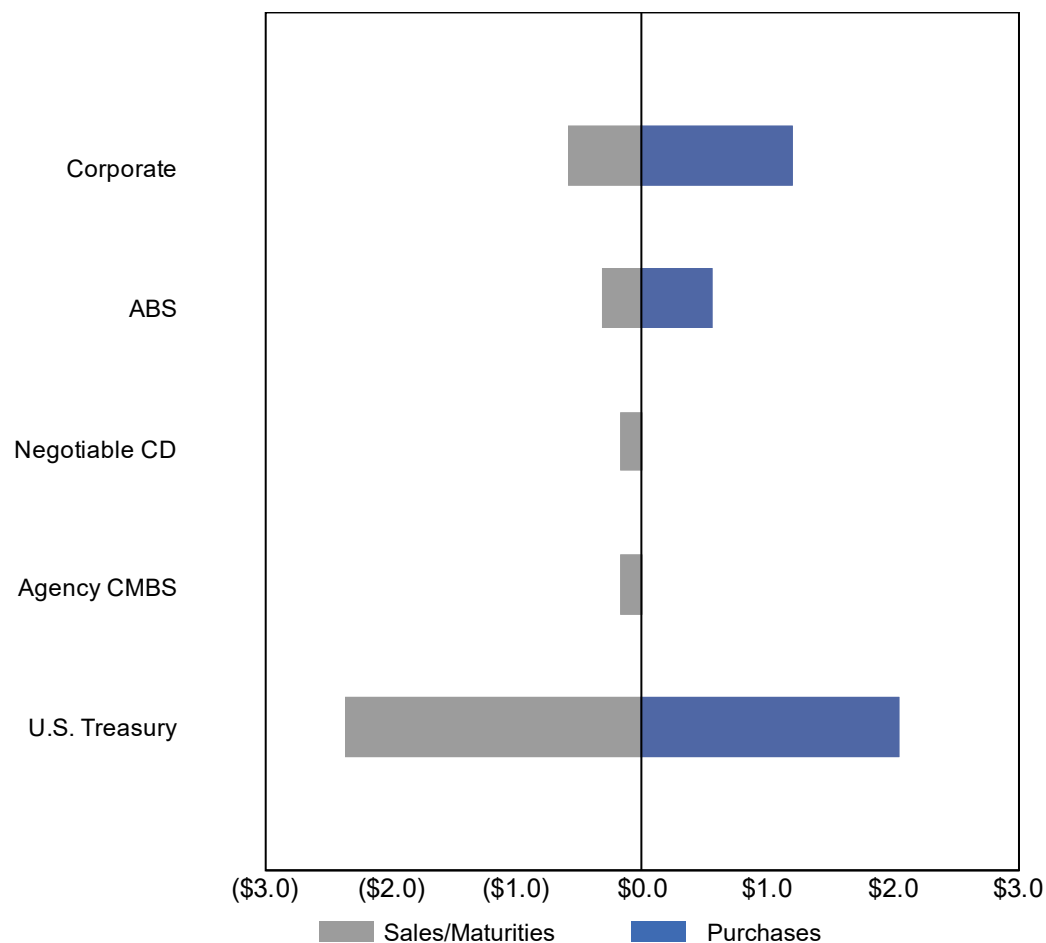
Security Type	Jun-25	% of Total	Sep-25	% of Total	Dec-25	% of Total	Mar-26	% of Total
U.S. Treasury	\$8.6	43.1%	\$9.2	45.5%	\$9.0	43.9%	\$8.6	41.8%
Agency CMBS	\$2.2	11.2%	\$2.1	10.6%	\$2.1	10.5%	\$2.0	9.6%
Municipal	\$0.1	0.4%	\$0.1	0.4%	\$0.1	0.4%	\$0.1	0.4%
Negotiable CD	\$0.4	2.0%	\$0.2	0.8%	\$0.2	0.7%	\$0.0	0.0%
Corporate	\$4.7	23.8%	\$4.8	23.7%	\$5.4	26.4%	\$6.0	29.1%
ABS	\$3.9	19.5%	\$3.8	19.0%	\$3.7	18.1%	\$3.9	19.1%
Total	\$20.0	100.0%	\$20.2	100.0%	\$20.4	100.0%	\$20.6	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Activity - CITY OF UKIAH, CALIFORNIA

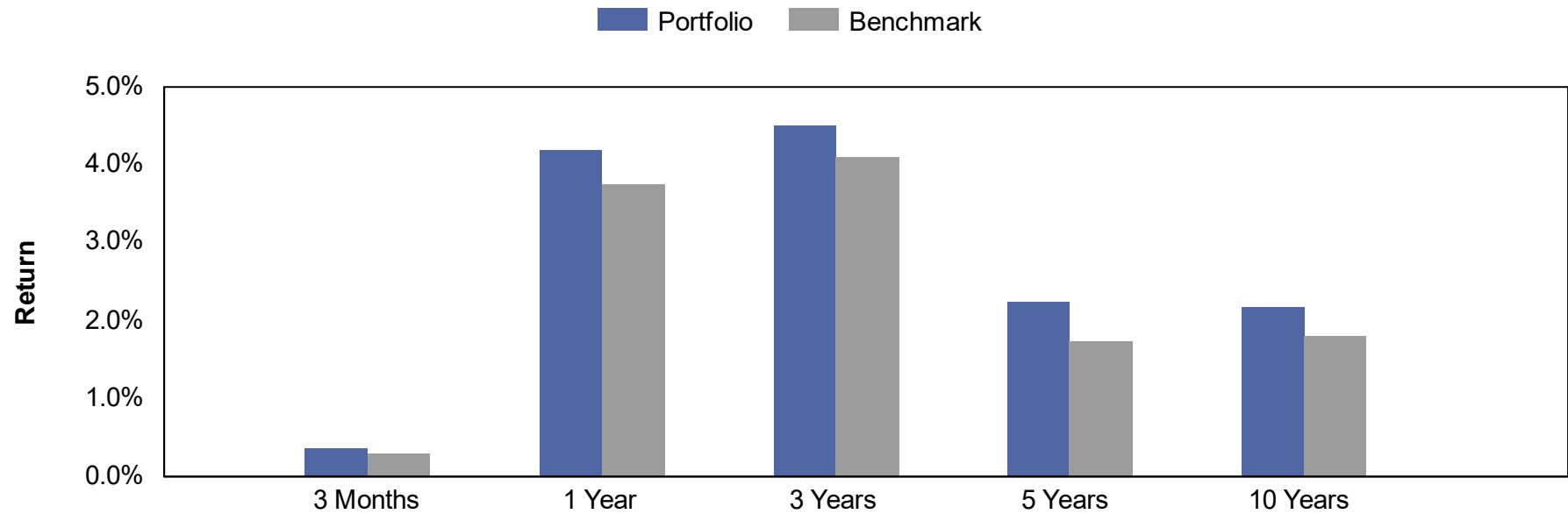
Net Activity by Sector
(\$ millions)



Sector	Net Activity
Corporate	\$612,395
ABS	\$240,976
Negotiable CD	(\$155,326)
Agency CMBS	(\$166,050)
U.S. Treasury	(\$311,237)
Total Net Activity	\$220,758

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

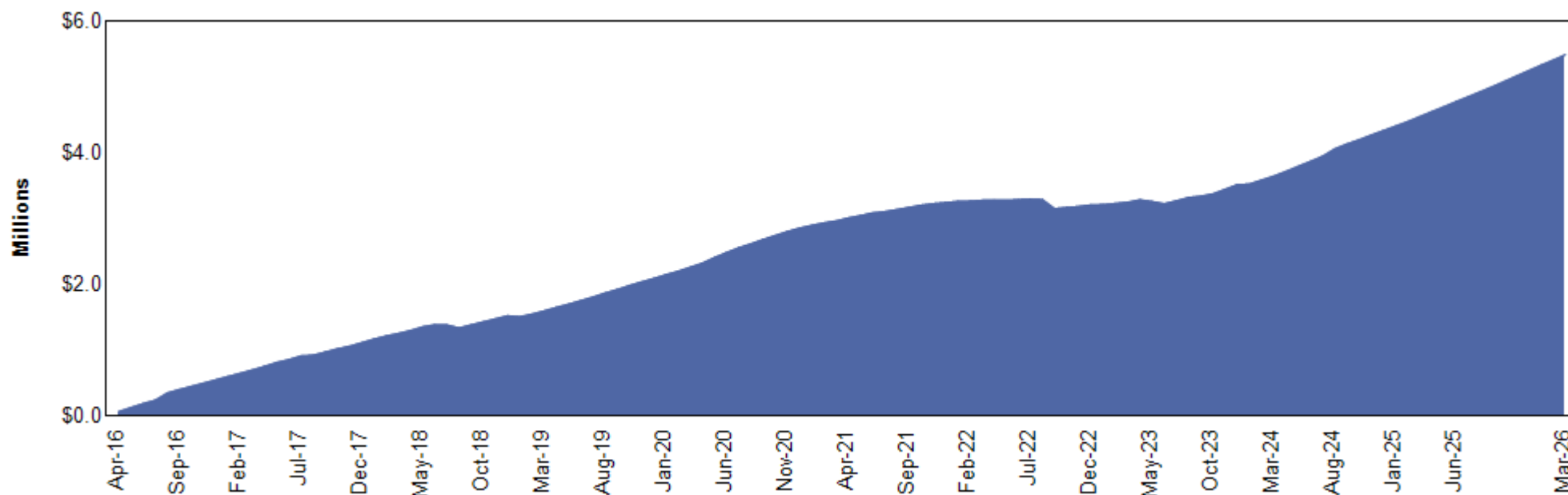
Portfolio Performance - CITY OF UKIAH, CALIFORNIA



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	10 Years
Interest Earned ²	\$204,768	\$834,661	\$2,457,337	\$3,035,667	\$6,003,563
Change in Market Value	(\$128,523)	\$270	\$431,813	(\$762,001)	(\$713,581)
Total Dollar Return	\$76,245	\$834,931	\$2,889,150	\$2,273,666	\$5,289,982
Total Return³					
Portfolio	0.37%	4.19%	4.50%	2.24%	2.17%
Benchmark ⁴	0.29%	3.75%	4.04%	1.86%	1.78%

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 1997.
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.
4. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

Accrual Basis Earnings - CITY OF UKIAH, CALIFORNIA



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	10 Year ¹
Interest Earned ²	\$204,768	\$834,661	\$2,457,337	\$3,035,667	\$6,003,563
Realized Gains / (Losses) ³	\$26,462	\$69,725	(\$333,809)	(\$610,186)	(\$629,807)
Change in Amortized Cost	\$7,906	\$36,332	\$116,301	\$98,976	\$116,592
Total Earnings	\$239,136	\$940,718	\$2,239,830	\$2,524,458	\$5,490,348

1. The lesser of 10 years or since inception is shown. Performance inception date is December 31, 1997.
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
3. Realized gains / (losses) are shown on an amortized cost basis.

Factors to Consider for 6-12 Months

Monetary Policy (Global):



- The Fed held rates steady in Q1 amid persistent inflation pressures and limited net job creation.
- Policymakers acknowledged the path forward is complicated, with geopolitical uncertainty adding additional strain to the Fed's dual mandate.
- The "dot plot" projects 25 bps of rate cuts in both 2026 and 2027; however, this is predicated on inflation progress.
- Global central banks remained on pause in Q1 but energy inflation pressures may necessitate hikes.

Economic Growth (Global):



- Stable consumer and business spending support growth, offsetting the weakness seen from the U.S. government shutdown in Q4 GDP.
- Fiscal support and AI investment should aid growth; however, a prolonged conflict in Iran may weigh on consumer discretionary spending.
- Risks to global growth prospects have increased amid the escalating conflict due to higher energy prices, supply-chain disruptions, and increased uncertainty.

Inflation (U.S.):



- The inflation outlook depends on the duration of the Middle East conflict and the degree to which higher energy and commodity costs raise core goods and services prices.
- Inflation remains sticky with limited progress on core services and continuing pressure from tariffs passthroughs.
- Near-term inflation expectations have increased due to the higher energy prices while long-run expectations remain anchored.

Financial Conditions (U.S.):



- Corporate fundamentals and underlying demand remain strong. Spread widening has improved valuations, though the sector is still rich from a historic perspective.
- The conflict in the Middle East has tightened financial conditions. The duration of the conflict and its impact on the economy will be a key driver of corporate fundamentals.
- Geopolitical conflict, higher oil prices, and the evolution of the economy are key risks. At this time we view volatility in private credit as contained and not a systemic risk.

Consumer Spending (U.S.):



- Modest job growth and inflationary pressures continue to weigh on consumer sentiment. Higher energy and food prices will likely drive consumer sentiment lower.
- Wage growth continues to exceed inflation, but this gap has narrowed. Energy shocks may compress real incomes and reduce discretionary spending.
- Lower-income cohorts remained more exposed to higher energy prices as a larger share of household budgets are allocated to essentials.
- Higher-income cohorts benefit from strong equity markets and home price appreciation in recent years.

Labor Markets (U.S.):



- Labor market conditions continued to cool with net new job creation close to zero.
- The unemployment rate remained unchanged as lower job creation was offset by a reduction in the pace of labor force growth.
- The Fed has framed the combination of limited job growth and a stable unemployment rate as an uncomfortable balance.
- Initial jobless claims and layoff rates remain low, consistent with a continued "low-hire/low-fire" environment.

● Current outlook ○ Outlook one quarter ago

Stance Unfavorable
to Risk Assets

Negative

Slightly
Negative

Neutral

Slightly
Positive

Positive

Stance Favorable
to Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg Finance L.P. and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (3/31/2026) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Portfolio Holdings and Transactions

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	41.8%	
United States Treasury	41.8%	AA / Aa / AA
Agency CMBS	9.6%	
Federal Home Loan Mortgage Corp	8.9%	AA / Aa / AA
Federal National Mortgage Association	0.7%	AA / Aa / AA
Municipal	0.4%	
Los Angeles Unified School District/CA	0.4%	NR / Aa / AAA
Corporate	29.2%	
Abbott Laboratories	0.8%	A / Aa / NR
AbbVie Inc	0.2%	A / A / NR
Accenture PLC	0.1%	AA / Aa / NR
Advanced Micro Devices Inc	0.4%	A / A / NR
Air Products and Chemicals Inc	0.5%	A / A / NR
Alphabet Inc	0.2%	AA / Aa / NR
Amazon.com Inc	1.4%	AA / A / AA
American Express Co	0.4%	A / A / A
Analog Devices Inc	0.5%	A / A / A
ANZ Group Holdings Ltd	1.2%	AA / Aa / AA
Bank of America Corp	0.8%	A / A / AA
Bank of New York Mellon Corp	0.8%	A / Aa / AA
BlackRock Inc	0.6%	AA / Aa / NR
Caterpillar Inc	1.2%	A / A / A
Charles Schwab Corp	0.4%	A / A / A
Cintas Corp	0.3%	A / A / NR
Cisco Systems Inc	1.4%	AA / A / NR
Citigroup Inc	1.2%	A / Aa / A
Cummins Inc	0.0%	A / A / NR

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	29.2%	
Deere & Co	0.7%	A / A / A
Goldman Sachs Group Inc	1.3%	A / A / A
Hershey Co	0.2%	A / A / NR
Home Depot Inc	1.1%	A / A / A
Honda Motor Co Ltd	0.6%	BBB / A / A
Hormel Foods Corp	0.2%	A / A / NR
Johnson & Johnson	0.1%	AAA / Aaa / NR
JPMorgan Chase & Co	1.1%	A / A / AA
Lockheed Martin Corp	0.5%	A / A / A
Mastercard Inc	0.6%	A / Aa / NR
Merck & Co Inc	0.3%	A / Aa / NR
Morgan Stanley	0.9%	A / A / A
National Rural Utilities Cooperative Fi	1.0%	A / A / A
Novartis AG	0.7%	AA / Aa / NR
PACCAR Inc	1.0%	A / A / NR
PepsiCo Inc	0.7%	A / A / NR
Pfizer Inc	0.3%	A / A / NR
PNC Financial Services Group Inc	0.9%	A / A / A
Salesforce Inc	0.8%	A / A / NR
State Street Corp	0.2%	A / Aa / AA
Target Corp	0.1%	A / A / A
Toyota Motor Corp	1.2%	A / A / A
UnitedHealth Group Inc	0.9%	A / A / A
Wells Fargo & Co	1.0%	BBB / A / A

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
ABS	19.0%	
Ally Auto Receivables Trust	0.4%	AAA / NR / AAA
American Express Co	1.6%	AAA / NR / AAA
BMW Vehicle Lease Trust	0.4%	AAA / Aaa / AAA
Capital One Financial Corp	0.8%	AAA / Aaa / AAA
CarMax Inc	0.1%	AAA / NR / AAA
Citigroup Inc	1.0%	AAA / Aaa / NR
Fifth Third Auto Trust	0.4%	AAA / Aaa / NR
Ford Credit Auto Owner Trust	2.1%	AAA / Aaa / AAA
GM Financial Consumer Automobile Receiv	0.8%	AAA / Aaa / AAA
Harley-Davidson Inc	0.1%	NR / Aaa / AAA
Honda Auto Receivables Owner Trust	1.6%	AAA / Aaa / AAA
Hyundai Auto Receivables Trust	2.1%	AAA / NR / AAA
Mercedes-Benz Auto Receivables Trust	0.5%	AAA / Aaa / AAA
Nissan Auto Receivables Owner Trust	1.4%	NR / Aaa / AAA
Toyota Auto Receivables Owner Trust	2.2%	AAA / Aaa / AAA
Verizon Master Trust	1.4%	NR / Aaa / AAA
Volkswagen Auto Lease Trust	0.7%	AAA / NR / AAA
Volkswagen Auto Loan Enhanced Trust	0.8%	NR / Aaa / AAA
WF Card Issuance Trust	0.9%	AAA / NR / AAA
Total	100.0%	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 08/15/2024 3.750% 08/15/2027	91282CLG4	500,000.00	AA+	Aa1	9/5/2024	9/6/2024	501,757.81	3.62	2,330.80	500,845.54	499,375.00
US TREASURY N/B DTD 09/02/2025 3.625% 08/31/2027	91282CNV9	250,000.00	AA+	Aa1	9/3/2025	9/4/2025	250,029.30	3.62	788.04	250,021.16	249,257.75
US TREASURY N/B DTD 09/16/2024 3.375% 09/15/2027	91282CLL3	200,000.00	AA+	Aa1	10/1/2024	10/4/2024	199,195.31	3.52	311.82	199,592.87	198,695.40
US TREASURY N/B DTD 11/15/2024 4.125% 11/15/2027	91282CLX7	400,000.00	AA+	Aa1	12/2/2024	12/4/2024	400,078.13	4.12	6,244.48	400,044.71	401,718.80
US TREASURY N/B DTD 11/15/2024 4.125% 11/15/2027	91282CLX7	125,000.00	AA+	Aa1	12/5/2024	12/6/2024	125,019.53	4.12	1,951.40	125,011.06	125,537.13
US TREASURY N/B DTD 11/15/2024 4.125% 11/15/2027	91282CLX7	275,000.00	AA+	Aa1	12/3/2024	12/5/2024	275,150.39	4.10	4,293.08	275,085.39	276,181.68
US TREASURY N/B DTD 12/16/2024 4.000% 12/15/2027	91282CMB4	50,000.00	AA+	Aa1	1/2/2025	1/6/2025	49,609.38	4.28	587.91	49,767.55	50,134.75
US TREASURY N/B DTD 02/18/2025 4.250% 02/15/2028	91282CMN8	500,000.00	AA+	Aa1	3/5/2025	3/7/2025	503,398.44	4.00	2,641.57	502,210.26	503,828.00
US TREASURY N/B DTD 02/18/2025 4.250% 02/15/2028	91282CMN8	100,000.00	AA+	Aa1	3/3/2025	3/5/2025	100,796.88	3.96	528.31	100,517.08	100,765.60
US TREASURY N/B DTD 03/17/2025 3.875% 03/15/2028	91282CMS7	275,000.00	AA+	Aa1	4/9/2025	4/11/2025	274,140.63	3.99	492.27	274,415.42	275,311.58
US TREASURY N/B DTD 03/17/2025 3.875% 03/15/2028	91282CMS7	75,000.00	AA+	Aa1	4/7/2025	4/9/2025	75,292.97	3.73	134.26	75,198.85	75,084.98
US TREASURY N/B DTD 05/15/2025 3.750% 05/15/2028	91282CND9	150,000.00	AA+	Aa1	5/8/2025	5/15/2025	149,613.28	3.84	2,128.80	149,722.12	149,794.95
US TREASURY N/B DTD 05/15/2025 3.750% 05/15/2028	91282CND9	225,000.00	AA+	Aa1	6/5/2025	6/9/2025	224,121.09	3.89	3,193.20	224,354.74	224,692.43
US TREASURY N/B DTD 05/15/2025 3.750% 05/15/2028	91282CND9	125,000.00	AA+	Aa1	5/13/2025	5/19/2025	124,194.34	3.98	1,774.00	124,418.83	124,829.13
US TREASURY N/B DTD 06/16/2025 3.875% 06/15/2028	91282CNH0	200,000.00	AA+	Aa1	7/2/2025	7/7/2025	200,617.19	3.76	2,278.16	200,469.32	200,265.60

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 06/16/2025 3.875% 06/15/2028	91282CNH0	100,000.00	AA+	Aa1	7/8/2025	7/9/2025	99,976.56	3.88	1,139.08	99,982.20	100,132.80
US TREASURY N/B DTD 06/16/2025 3.875% 06/15/2028	91282CNH0	100,000.00	AA+	Aa1	6/11/2025	6/16/2025	99,628.91	4.01	1,139.08	99,722.83	100,132.80
US TREASURY N/B DTD 07/15/2025 3.875% 07/15/2028	91282CNM9	100,000.00	AA+	Aa1	7/9/2025	7/15/2025	100,152.34	3.82	813.54	100,117.93	100,117.20
US TREASURY N/B DTD 07/15/2025 3.875% 07/15/2028	91282CNM9	150,000.00	AA+	Aa1	8/1/2025	8/6/2025	149,894.53	3.90	1,220.30	149,917.02	150,175.80
US TREASURY N/B DTD 07/15/2025 3.875% 07/15/2028	91282CNM9	125,000.00	AA+	Aa1	7/28/2025	7/29/2025	124,985.35	3.88	1,016.92	124,988.61	125,146.50
US TREASURY N/B DTD 08/15/2025 3.625% 08/15/2028	91282CNU1	1,100,000.00	AA+	Aa1	9/2/2025	9/4/2025	1,099,914.06	3.63	4,956.84	1,099,930.52	1,095,316.20
US TREASURY N/B DTD 08/15/2025 3.625% 08/15/2028	91282CNU1	100,000.00	AA+	Aa1	12/2/2025	12/3/2025	100,257.81	3.52	450.62	100,228.18	99,574.20
US TREASURY N/B DTD 08/15/2025 3.625% 08/15/2028	91282CNU1	25,000.00	AA+	Aa1	8/8/2025	8/15/2025	24,928.71	3.73	112.66	24,942.95	24,893.55
US TREASURY N/B DTD 09/15/2025 3.375% 09/15/2028	91282CNY3	550,000.00	AA+	Aa1	10/3/2025	10/7/2025	546,691.41	3.59	857.51	547,214.57	544,328.40
US TREASURY N/B DTD 11/17/2025 3.500% 11/15/2028	91282CPK1	100,000.00	AA+	Aa1	11/13/2025	11/17/2025	99,722.66	3.60	1,324.59	99,755.75	99,191.40
US TREASURY N/B DTD 11/17/2025 3.500% 11/15/2028	91282CPK1	450,000.00	AA+	Aa1	12/1/2025	12/3/2025	449,384.77	3.55	5,960.64	449,450.57	446,361.30
US TREASURY N/B DTD 11/17/2025 3.500% 11/15/2028	91282CPK1	250,000.00	AA+	Aa1	12/2/2025	12/3/2025	249,794.92	3.53	3,311.46	249,816.93	247,978.50
US TREASURY N/B DTD 12/15/2025 3.500% 12/15/2028	91282CPP0	650,000.00	AA+	Aa1	1/8/2026	1/12/2026	649,060.55	3.55	6,687.50	649,127.25	644,617.35
US TREASURY N/B DTD 12/15/2025 3.500% 12/15/2028	91282CPP0	125,000.00	AA+	Aa1	12/9/2025	12/15/2025	124,526.37	3.63	1,286.06	124,570.89	123,964.87
US TREASURY N/B DTD 01/15/2026 3.500% 01/15/2029	91282CPT2	325,000.00	AA+	Aa1	2/2/2026	2/4/2026	323,717.78	3.64	2,388.12	323,782.31	322,232.30
US TREASURY N/B DTD 02/17/2026 3.500% 02/15/2029	91282CQA2	775,000.00	AA+	Aa1	3/2/2026	3/4/2026	775,000.00	3.50	3,371.89	775,000.00	768,279.20

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 02/17/2026 3.500% 02/15/2029	91282CQA2	150,000.00	AA+	Aa1	3/3/2026	3/6/2026	149,982.42	3.50	652.62	149,982.91	148,699.20
Security Type Sub-Total		8,625,000.00					8,620,633.82	3.72	66,367.53	8,620,206.32	8,596,614.35
Municipal											
LOS ANGELES UNIF SD-B DTD 05/13/2025 4.382% 07/01/2027	544647KX7	85,000.00	NR	Aa2	4/24/2025	5/13/2025	85,000.00	4.38	931.18	85,000.00	85,486.97
Security Type Sub-Total		85,000.00					85,000.00	4.38	931.18	85,000.00	85,486.97
Corporate											
CHARLES SCHWAB CORP (CALLABLE) DTD 05/13/2021 1.150% 05/13/2026	808513BR5	90,000.00	A-	A2	8/1/2024	8/2/2024	84,300.30	4.91	396.75	89,614.56	89,638.47
AMERICAN HONDA FINANCE DTD 07/07/2023 5.250% 07/07/2026	02665WEK3	40,000.00	BBB+	A3	7/5/2023	7/7/2023	39,950.80	5.29	490.00	39,995.63	40,076.40
WELLS FARGO & COMPANY DTD 10/25/2016 3.000% 10/23/2026	949746SH5	75,000.00	BBB+	A1	6/11/2024	6/12/2024	71,187.75	5.31	987.50	74,052.54	74,484.60
CITIBANK NA (CALLABLE) DTD 12/04/2023 5.488% 12/04/2026	17325FBC1	250,000.00	A+	Aa3	1/18/2024	1/22/2024	253,815.00	4.91	4,459.00	250,853.97	251,963.50
AUST & NZ BANKING GRP NY DTD 01/18/2024 4.750% 01/18/2027	05253JAZ4	250,000.00	AA-	Aa2	1/18/2024	1/22/2024	250,205.00	4.72	2,407.99	250,057.52	251,021.00
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 02/05/2024 4.800% 02/05/2027	63743HFM9	80,000.00	A-	A2	1/24/2024	2/5/2024	79,976.00	4.81	597.33	79,992.94	80,345.92
CISCO SYSTEMS INC (CALLABLE) DTD 02/26/2024 4.800% 02/26/2027	17275RBQ4	145,000.00	AA-	A1	2/21/2024	2/26/2024	144,811.50	4.85	676.67	144,940.57	145,881.89
AMERICAN HONDA FINANCE DTD 03/13/2024 4.900% 03/12/2027	02665WFD8	80,000.00	BBB+	A3	3/11/2024	3/13/2024	79,956.00	4.92	206.89	79,985.45	80,275.20
TOYOTA MOTOR CREDIT CORP DTD 03/21/2024 5.000% 03/19/2027	89236TLY9	50,000.00	A+	A1	3/18/2024	3/21/2024	49,939.50	5.04	83.33	49,979.50	50,382.60
HORMEL FOODS CORP (CALLABLE) DTD 03/08/2024 4.800% 03/30/2027	440452AK6	50,000.00	A-	A2	3/5/2024	3/8/2024	49,951.50	4.83	6.67	49,983.45	50,221.00

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
UNITEDHEALTH GROUP INC (CALLABLE) DTD 03/21/2024 4.600% 04/15/2027	91324PEY4	175,000.00	A+	A2	3/19/2024	3/21/2024	173,780.25	4.85	3,711.94	174,566.80	175,688.63
GOLDMAN SACHS BANK USA (CALLABLE) DTD 05/21/2024 5.414% 05/21/2027	38151LAG5	80,000.00	A+	A1	5/15/2024	5/21/2024	80,000.00	5.41	1,564.04	80,000.00	80,099.04
HOME DEPOT INC (CALLABLE) DTD 06/25/2024 4.875% 06/25/2027	437076DB5	50,000.00	A	A2	6/17/2024	6/25/2024	49,834.50	5.00	650.00	49,929.11	50,482.30
PNC FINANCIAL SERVICES (CALLABLE) DTD 07/23/2024 5.102% 07/23/2027	693475BY0	90,000.00	A-	A3	7/18/2024	7/23/2024	90,000.00	5.10	867.34	90,000.00	90,169.29
BLACKROCK FUNDING INC (CALLABLE) DTD 07/26/2024 4.600% 07/26/2027	09290DAH4	120,000.00	AA-	Aa3	7/17/2024	7/26/2024	119,996.40	4.60	996.67	119,998.48	120,815.16
AMAZON.COM INC (CALLABLE) DTD 06/06/2018 3.150% 08/22/2027	023135BC9	125,000.00	AA	A1	6/14/2024	6/17/2024	118,927.50	4.81	426.56	122,230.43	123,487.63
HOME DEPOT INC (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	75,000.00	A	A2	4/24/2025	4/25/2025	72,574.50	4.24	99.17	73,494.43	73,713.60
ACCENTURE CAPITAL INC (CALLABLE) DTD 10/04/2024 3.900% 10/04/2027	00440KAA1	25,000.00	AA-	Aa3	10/1/2024	10/4/2024	24,967.75	3.95	479.38	24,983.32	24,954.08
PFIZER INC DTD 11/21/2025 3.875% 11/15/2027	717081FJ7	65,000.00	A	A2	11/18/2025	11/21/2025	64,992.85	3.88	909.55	64,994.13	64,858.69
TOYOTA MOTOR CREDIT CORP DTD 01/12/2026 3.750% 01/12/2028	89236TPF6	80,000.00	A+	A1	1/7/2026	1/12/2026	79,932.80	3.79	658.33	79,939.98	79,416.00
MASTERCARD INC (CALLABLE) DTD 09/05/2024 4.100% 01/15/2028	57636QBA1	70,000.00	A+	Aa3	4/23/2025	4/24/2025	69,981.80	4.11	605.89	69,987.93	70,100.73
PEPSICO INC (CALLABLE) DTD 02/07/2025 4.450% 02/07/2028	713448GA0	145,000.00	A+	A1	2/5/2025	2/7/2025	144,939.10	4.47	967.88	144,961.56	146,162.03
HERSHEY COMPANY (CALLABLE) DTD 02/24/2025 4.550% 02/24/2028	427866BK3	40,000.00	A	A1	2/19/2025	2/24/2025	39,972.40	4.57	187.06	39,982.18	40,292.36
CISCO SYSTEMS INC (CALLABLE) DTD 02/24/2025 4.550% 02/24/2028	17275RBW1	35,000.00	AA-	A1	2/19/2025	2/24/2025	34,962.20	4.59	163.67	34,975.54	35,354.06
JOHNSON & JOHNSON (CALLABLE) DTD 02/20/2025 4.550% 03/01/2028	478160DH4	30,000.00	AAA	Aaa	2/18/2025	2/20/2025	29,982.60	4.57	113.75	29,988.73	30,349.14

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
ABBVIE INC DTD 03/04/2026 3.775% 03/03/2028	00287YED7	45,000.00	A-	A2	2/24/2026	3/4/2026	44,984.70	3.79	127.41	44,985.29	44,697.51
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 12/16/2022 4.800% 03/15/2028	63743HFG2	75,000.00	A-	A2	10/31/2025	11/3/2025	76,281.00	4.03	160.00	76,059.18	75,669.15
MASTERCARD INC (CALLABLE) DTD 02/27/2025 4.550% 03/15/2028	57636QBF0	50,000.00	A+	Aa3	2/18/2025	2/27/2025	49,962.00	4.58	101.11	49,975.12	50,453.85
SALESFORCE INC (CALLABLE) DTD 03/13/2026 4.500% 03/15/2028	79466LAQ7	170,000.00	A+	A2	3/11/2026	3/13/2026	169,864.00	4.54	382.50	169,867.55	170,043.86
ADVANCED MICRO DEVICES (CALLABLE) DTD 03/24/2025 4.319% 03/24/2028	007903BJ5	75,000.00	A	A1	3/10/2025	3/24/2025	75,000.00	4.32	62.99	75,000.00	75,473.93
GOLDMAN SACHS GROUP INC (CALLABLE) DTD 04/23/2025 4.937% 04/23/2028	38141GC77	35,000.00	BBB+	A2	4/15/2025	4/23/2025	35,000.00	4.94	758.38	35,000.00	35,171.01
STATE STREET CORP (CALLABLE) DTD 04/24/2025 4.543% 04/24/2028	857477DA8	45,000.00	A	Aa3	4/22/2025	4/24/2025	45,000.00	4.54	891.56	45,000.00	45,090.68
CINTAS CORPORATION NO. 2 (CALLABLE) DTD 05/02/2025 4.200% 05/01/2028	17252MAR1	60,000.00	A-	A3	4/28/2025	5/2/2025	59,923.20	4.25	1,050.00	59,945.66	59,898.06
CUMMINS INC (CALLABLE) DTD 05/09/2025 4.250% 05/09/2028	231021AY2	10,000.00	A	A2	5/6/2025	5/9/2025	9,993.00	4.28	167.64	9,995.00	10,014.12
JOHN DEERE CAPITAL CORP DTD 06/05/2025 4.250% 06/05/2028	24422EYD5	95,000.00	A	A1	6/2/2025	6/5/2025	94,915.45	4.28	1,300.97	94,937.65	95,299.63
AIR PRODUCTS & CHEMICALS (CALLABLE) DTD 06/11/2025 4.300% 06/11/2028	009158BN5	100,000.00	A	A2	6/9/2025	6/11/2025	99,933.00	4.32	1,313.89	99,950.29	100,331.10
TARGET CORP (CALLABLE) DTD 06/10/2025 4.350% 06/15/2028	87612EBU9	25,000.00	A	A2	6/5/2025	6/10/2025	24,999.75	4.35	320.21	24,999.84	25,116.33
ANALOG DEVICES INC (CALLABLE) DTD 06/16/2025 4.250% 06/15/2028	032654BD6	110,000.00	A	A2	6/12/2025	6/16/2025	109,881.20	4.29	1,376.53	109,911.37	110,173.91
BANK OF NY MELLON CORP (CALLABLE) DTD 07/22/2024 4.890% 07/21/2028	06406RBX4	120,000.00	A	Aa3	7/15/2024	7/22/2024	120,000.00	4.89	1,141.00	120,000.00	120,936.48

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
JPMORGAN CHASE & CO (CALLABLE) DTD 07/22/2024 4.979% 07/22/2028	46647PEL6	110,000.00	A	A1	7/15/2024	7/22/2024	110,000.00	4.98	1,049.74	110,000.00	110,739.31
AMERICAN EXPRESS CO (CALLABLE) DTD 07/26/2024 5.043% 07/26/2028	025816DV8	15,000.00	A-	A2	7/22/2024	7/26/2024	15,000.00	5.04	136.58	15,000.00	15,129.10
PACCAR FINANCIAL CORP DTD 08/08/2025 4.000% 08/08/2028	69371RT97	75,000.00	A+	A1	8/4/2025	8/8/2025	74,955.75	4.02	441.67	74,964.99	74,946.60
CATERPILLAR FINL SERVICE DTD 08/15/2025 4.100% 08/15/2028	14913UBB5	100,000.00	A	A2	8/11/2025	8/15/2025	99,986.00	4.11	523.89	99,988.81	99,912.60
LOCKHEED MARTIN CORP (CALLABLE) DTD 07/28/2025 4.150% 08/15/2028	539830CK3	20,000.00	A-	A2	7/23/2025	7/28/2025	19,974.60	4.19	106.06	19,979.98	20,014.62
LOCKHEED MARTIN CORP (CALLABLE) DTD 07/28/2025 4.150% 08/15/2028	539830CK3	80,000.00	A-	A2	11/4/2025	11/5/2025	80,440.00	3.94	424.22	80,376.95	80,058.48
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 08/25/2025 4.150% 08/25/2028	63743HFZ0	25,000.00	NR	A2	8/20/2025	8/25/2025	25,000.00	4.15	103.75	25,000.00	24,918.25
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 08/25/2025 4.150% 08/25/2028	63743HFZ0	35,000.00	NR	A2	8/19/2025	8/25/2025	34,960.80	4.19	145.25	34,968.28	34,885.55
JPMORGAN CHASE & CO (CALLABLE) DTD 10/22/2024 4.505% 10/22/2028	46647PEP7	50,000.00	A	A1	10/15/2024	10/22/2024	50,000.00	4.51	994.85	50,000.00	49,989.40
NOVARTIS CAPITAL CORP (CALLABLE) DTD 11/05/2025 3.900% 11/05/2028	66989HAX6	55,000.00	AA-	Aa3	11/3/2025	11/5/2025	54,987.90	3.91	869.92	54,989.52	54,730.39
NOVARTIS CAPITAL CORP (CALLABLE) DTD 11/05/2025 3.900% 11/05/2028	66989HAX6	45,000.00	AA-	Aa3	11/4/2025	11/5/2025	45,011.25	3.89	711.75	45,009.81	44,779.41
PACCAR FINANCIAL CORP DTD 11/07/2025 4.000% 11/07/2028	69371RU20	45,000.00	A+	A1	11/5/2025	11/7/2025	44,974.80	4.02	720.00	44,978.00	44,839.26
CATERPILLAR FINL SERVICE DTD 11/14/2025 3.950% 11/14/2028	14913UBD1	150,000.00	A	A2	11/10/2025	11/14/2025	149,920.50	3.97	2,254.79	149,930.15	149,281.95

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
ALPHABET INC (CALLABLE) DTD 11/06/2025 3.875% 11/15/2028	02079KAV9	15,000.00	AA+	Aa2	11/3/2025	11/6/2025	14,987.10	3.91	234.11	14,988.74	14,951.39
AMAZON.COM INC (CALLABLE) DTD 11/20/2025 3.900% 11/20/2028	023135CS3	75,000.00	AA	A1	11/17/2025	11/20/2025	74,983.50	3.91	1,064.38	74,985.49	74,679.45
JPMORGAN CHASE & CO (CALLABLE) DTD 01/24/2025 4.915% 01/24/2029	46647PEU6	65,000.00	A	A1	1/16/2025	1/24/2025	65,000.00	4.92	594.58	65,000.00	65,553.60
BANK OF AMERICA CORP (CALLABLE) DTD 01/24/2025 4.979% 01/24/2029	06051GMK2	170,000.00	A-	A1	1/17/2025	1/24/2025	170,000.00	4.98	1,575.30	170,000.00	171,324.47
PACCAR FINANCIAL CORP DTD 02/05/2026 3.900% 02/05/2029	69371RU38	90,000.00	A+	A1	1/29/2026	2/5/2026	89,962.20	3.91	546.00	89,964.25	89,316.90
AMERICAN EXPRESS CO (CALLABLE) DTD 02/10/2026 4.009% 02/09/2029	025816EN5	75,000.00	A-	A2	2/3/2026	2/10/2026	75,000.00	4.01	425.96	75,000.00	74,520.98
ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5	20,000.00	AA+	Aa2	2/9/2026	2/13/2026	19,927.40	3.83	98.67	19,930.48	19,828.12
CISCO SYSTEMS INC (CALLABLE) DTD 02/26/2024 4.850% 02/26/2029	17275RBR2	100,000.00	AA-	A1	11/7/2025	11/10/2025	102,583.00	4.00	471.53	102,285.56	101,831.30
JOHN DEERE CAPITAL CORP DTD 03/10/2026 3.900% 03/09/2029	24422EYK9	40,000.00	A	A1	3/5/2026	3/10/2026	39,946.40	3.95	91.00	39,947.44	39,743.04
ABBOTT LABORATORIES (CALLABLE) DTD 03/09/2026 3.700% 03/09/2029	002824BR0	160,000.00	A+	Aa3	2/23/2026	3/9/2026	159,796.80	3.75	361.78	159,800.97	158,096.96
TOYOTA MOTOR CREDIT CORP DTD 03/13/2026 4.050% 03/13/2029	89236TPQ2	115,000.00	A+	A1	3/10/2026	3/13/2026	114,958.60	4.06	232.88	114,959.47	114,309.89
AMAZON.COM INC (CALLABLE) DTD 03/13/2026 4.000% 03/13/2029	023135DC7	100,000.00	AA	A1	3/10/2026	3/13/2026	99,989.00	4.00	200.00	99,989.25	99,494.50
MERCK & CO INC (CALLABLE) DTD 12/04/2025 3.850% 03/15/2029	58933YBW4	60,000.00	A+	Aa3	12/1/2025	12/4/2025	59,911.20	3.90	102.67	59,919.68	59,564.10
NOVARTIS CAPITAL CORP (CALLABLE) DTD 03/18/2026 4.100% 03/16/2029	66989HBF4	50,000.00	AA-	Aa3	3/16/2026	3/18/2026	49,941.50	4.14	74.03	49,942.24	49,940.10
MORGAN STANLEY (CALLABLE) DTD 04/17/2025 4.994% 04/12/2029	61747YFY6	55,000.00	A-	A1	4/14/2025	4/17/2025	55,000.00	4.99	1,289.42	55,000.00	55,504.24

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
HOME DEPOT INC (CALLABLE) DTD 12/04/2023 4.900% 04/15/2029	437076CW0	100,000.00	A	A2	3/9/2026	3/10/2026	102,548.00	4.02	2,259.44	102,501.97	101,896.50
PNC FINANCIAL SERVICES (CALLABLE) DTD 06/12/2023 5.582% 06/12/2029	693475BR5	100,000.00	A-	A3	11/3/2025	11/4/2025	103,437.00	4.54	1,690.11	102,922.05	102,472.60
WELLS FARGO & COMPANY (CALLABLE) DTD 09/15/2025 4.078% 09/15/2029	95000U4A8	75,000.00	BBB+	A1	9/8/2025	9/15/2025	75,000.00	4.08	135.93	75,000.00	74,174.93
MORGAN STANLEY (CALLABLE) DTD 10/22/2025 4.133% 10/18/2029	61748UAK8	75,000.00	A-	A1	10/17/2025	10/22/2025	75,000.00	4.13	1,369.06	75,000.00	74,129.85
GOLDMAN SACHS GROUP INC (CALLABLE) DTD 10/21/2025 4.153% 10/21/2029	38141GD27	155,000.00	BBB+	A2	10/14/2025	10/21/2025	155,000.00	4.15	2,860.96	155,000.00	153,553.70
MORGAN STANLEY (CALLABLE) DTD 01/20/2026 4.238% 01/09/2030	61748UAR3	55,000.00	A-	A1	1/15/2026	1/20/2026	55,000.00	4.24	459.71	55,000.00	54,445.00
BANK OF NY MELLON CORP (CALLABLE) DTD 01/22/2026 4.026% 01/22/2030	06406RCG0	40,000.00	A	Aa3	1/14/2026	1/22/2026	40,000.00	4.03	308.66	40,000.00	39,599.60
WELLS FARGO & COMPANY (CALLABLE) DTD 01/23/2026 4.182% 01/23/2030	95000U4D2	50,000.00	BBB+	A1	1/15/2026	1/23/2026	50,000.00	4.18	394.97	50,000.00	49,557.00
Security Type Sub-Total		5,975,000.00					5,967,858.60	4.44	57,191.17	5,977,439.78	5,981,316.08
Agency CMBS											
FHMS K736 A2 DTD 09/01/2019 2.282% 07/01/2026	3137FNWX4	96,821.14	AA+	Aa1	10/5/2023	10/11/2023	89,835.65	5.05	184.12	96,027.97	96,360.18
FHMS K058 A2 DTD 11/01/2016 2.653% 08/01/2026	3137BSP72	175,000.00	AA+	Aa1	4/12/2023	4/17/2023	167,036.13	4.10	386.90	174,050.66	173,917.45
FNA 2024-M6 A2 DTD 11/01/2024 2.999% 07/01/2027	3136BTGM9	149,604.82	AA+	Aa1	12/12/2024	12/17/2024	144,368.65	4.32	373.89	146,868.41	147,861.92
FHMS K067 A2 DTD 09/01/2017 3.194% 07/01/2027	3137FAWS3	150,000.00	AA+	Aa1	6/4/2025	6/9/2025	146,824.22	4.23	399.25	147,991.87	148,414.80

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K068 A2 DTD 10/01/2017 3.244% 08/01/2027	3137FBBX3	115,000.00	AA+	Aa1	6/17/2024	6/21/2024	109,708.20	4.80	310.88	112,553.08	113,697.05
FHMS K739 A2 DTD 11/01/2020 1.336% 09/01/2027	3137F64P9	195,284.57	AA+	Aa1	10/30/2024	11/4/2024	180,294.95	4.14	217.42	187,328.75	189,051.47
FHMS K069 A2 DTD 11/01/2017 3.187% 09/01/2027	3137FBU79	86,920.75	AA+	Aa1	6/17/2024	6/21/2024	82,717.32	4.78	230.85	84,915.37	85,824.42
FHMS K071 A2 DTD 12/01/2017 3.286% 11/01/2027	3137FCLD4	90,000.00	AA+	Aa1	5/1/2025	5/6/2025	88,154.30	4.13	246.45	88,780.63	88,900.29
FHMS K073 A2 DTD 02/01/2018 3.350% 01/01/2028	3137FETN0	75,000.00	AA+	Aa1	3/7/2025	3/12/2025	73,057.62	4.31	209.38	73,738.48	74,052.45
FHMS K074 A2 DTD 03/01/2018 3.600% 01/01/2028	3137F4D41	94,360.47	AA+	Aa1	2/27/2025	3/4/2025	92,336.89	4.39	283.08	93,055.11	93,481.60
FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72	85,000.00	AA+	Aa1	5/21/2025	5/27/2025	83,396.29	4.40	258.54	83,833.22	84,224.97
FHMS K075 A2 DTD 04/01/2018 3.650% 02/01/2028	3137F4X72	100,000.00	AA+	Aa1	3/5/2025	3/10/2025	98,253.91	4.28	304.17	98,849.98	99,088.20
FHMS K076 A2 DTD 05/01/2018 3.900% 04/01/2028	3137FEZU7	165,000.00	AA+	Aa1	3/4/2025	3/7/2025	163,182.42	4.27	536.25	163,771.06	164,160.15
FHMS K077 A2 DTD 06/01/2018 3.850% 05/01/2028	3137FG6X8	100,000.00	AA+	Aa1	6/6/2025	6/11/2025	98,597.66	4.35	320.83	98,960.13	99,369.10
FHMS K743 A2 DTD 06/01/2021 1.770% 05/01/2028	3137H14B9	150,000.00	AA+	Aa1	5/22/2025	5/28/2025	139,494.14	4.32	221.25	142,091.85	142,935.45
FHMS K079 A2 DTD 08/01/2018 3.926% 06/01/2028	3137FGZT5	175,000.00	AA+	Aa1	4/16/2025	4/22/2025	173,256.84	4.26	572.54	173,746.93	174,110.65
Security Type Sub-Total		2,002,991.75					1,930,515.19	4.35	5,055.80	1,966,563.50	1,975,450.15
ABS											
TAOT 2022-C A3 DTD 08/16/2022 3.760% 04/15/2027	89231CAD9	2,009.34	AAA	NR	8/8/2022	8/16/2022	2,009.00	3.76	3.36	2,009.26	2,008.96
COPAR 2022-2 A3 DTD 08/10/2022 3.660% 05/17/2027	14043GAD6	2,432.35	AAA	Aaa	8/2/2022	8/10/2022	2,432.17	3.66	3.96	2,432.31	2,431.81
HART 2022-C A3 DTD 11/09/2022 5.390% 06/15/2027	44933DAD3	4,055.94	AAA	NR	11/1/2022	11/9/2022	4,055.92	5.39	9.72	4,055.93	4,057.85

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
MBART 2022-1 A3 DTD 11/22/2022 5.210% 08/16/2027	58768PAC8	7,739.19	AAA	Aaa	11/15/2022	11/22/2022	7,737.66	5.21	17.92	7,738.75	7,749.64
CARMX 2022-4 A3 DTD 10/31/2022 5.340% 08/16/2027	14318UAD3	15,400.89	AAA	NR	10/26/2022	10/31/2022	15,397.28	5.35	36.55	15,399.86	15,417.53
TAOT 2023-A A3 DTD 01/30/2023 4.630% 09/15/2027	891940AC2	8,732.68	AAA	NR	1/24/2023	1/30/2023	8,732.67	4.63	17.97	8,732.67	8,744.51
MBART 2023-1 A3 DTD 01/25/2023 4.510% 11/15/2027	58770AAC7	6,079.22	AAA	NR	1/18/2023	1/25/2023	6,078.49	4.51	12.19	6,078.97	6,084.07
NAROT 2023-A A3 DTD 04/26/2023 4.910% 11/15/2027	65480WAD3	32,931.27	NR	Aaa	4/18/2023	4/26/2023	32,925.45	4.91	71.86	32,929.19	32,994.00
HDMOT 2023-A A3 DTD 02/23/2023 5.050% 12/15/2027	41285JAD0	13,222.19	NR	Aaa	2/13/2023	2/23/2023	13,220.86	5.05	29.68	13,221.71	13,245.05
TAOT 2023-B A3 DTD 05/23/2023 4.710% 02/15/2028	891941AD8	35,949.79	NR	Aaa	5/16/2023	5/23/2023	35,947.78	4.71	75.25	35,948.99	36,052.89
FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028	344928AD8	15,608.13	AAA	NR	3/28/2023	3/31/2023	15,606.50	4.65	32.26	15,607.50	15,633.57
BMWOT 2023-A A3 DTD 07/18/2023 5.470% 02/25/2028	05592XAD2	11,562.64	AAA	NR	7/11/2023	7/18/2023	11,560.59	5.47	10.54	11,561.79	11,621.39
FORDO 2023-B A3 DTD 06/26/2023 5.230% 05/15/2028	344930AD4	27,331.54	AAA	NR	6/21/2023	6/26/2023	27,331.17	5.23	63.53	27,331.38	27,452.62
GMCAR 2023-3 A3 DTD 07/19/2023 5.450% 06/16/2028	36267KAD9	20,961.45	AAA	Aaa	7/11/2023	7/19/2023	20,960.64	5.45	47.60	20,961.09	21,065.69
FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028	31680EAD3	72,829.79	AAA	Aaa	8/15/2023	8/23/2023	72,825.27	5.53	179.00	72,827.64	73,323.43
HAROT 2024-1 A3 DTD 02/21/2024 5.210% 08/15/2028	437918AC9	90,849.83	AAA	Aaa	2/13/2024	2/21/2024	90,845.88	5.21	210.37	90,847.80	91,457.61
ALLYA 2024-1 A3 DTD 03/13/2024 5.080% 12/15/2028	02008FAC8	46,225.39	AAA	NR	3/5/2024	3/13/2024	46,218.68	5.08	104.37	46,221.43	46,420.78
NAROT 2024-A A3 DTD 05/22/2024 5.280% 12/15/2028	65479UAD0	142,192.54	NR	Aaa	5/14/2024	5/22/2024	142,179.26	5.28	333.68	142,184.31	143,131.30
FORDO 2024-A A3 DTD 03/19/2024 5.090% 12/15/2028	34535EAD4	65,875.40	NR	Aaa	3/14/2024	3/19/2024	65,864.33	5.09	149.02	65,868.75	66,326.19
HART 2024-A A3 DTD 03/20/2024 4.990% 02/15/2029	448973AD9	40,935.73	AAA	NR	3/11/2024	3/20/2024	40,926.71	5.00	90.79	40,930.27	41,172.50

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
BMWOT 2024-A A3 DTD 06/11/2024 5.180% 02/26/2029	096919AD7	79,485.54	AAA	Aaa	6/4/2024	6/11/2024	79,473.47	5.18	68.62	79,477.85	80,009.19
TAOT 2024-C A3 DTD 07/30/2024 4.880% 03/15/2029	89237QAD2	92,722.34	AAA	NR	7/23/2024	7/30/2024	92,722.28	4.88	201.10	92,722.34	93,319.94
HART 2024-B A3 DTD 07/24/2024 4.840% 03/15/2029	44934QAD3	125,000.00	AAA	NR	7/16/2024	7/24/2024	124,981.14	4.84	268.89	124,987.63	125,731.88
VWALT 2026-A A3 DTD 03/24/2026 4.170% 03/20/2029	92868CAD3	145,000.00	AAA	NR	3/17/2026	3/24/2026	144,992.95	4.17	117.57	144,993.13	144,710.87
FORDO 2024-B A3 DTD 06/24/2024 5.100% 04/15/2029	34531QAD1	163,937.51	AAA	Aaa	6/18/2024	6/24/2024	163,936.01	5.10	371.59	163,936.59	165,210.81
GMCAR 2024-3 A3 DTD 07/10/2024 5.130% 04/16/2029	38013KAD2	79,023.88	AAA	Aaa	7/2/2024	7/10/2024	79,011.72	5.13	168.91	79,015.88	79,585.82
VALET 2025-1 A3 DTD 03/25/2025 4.500% 08/20/2029	92868MAD1	95,000.00	NR	Aaa	3/18/2025	3/25/2025	94,996.77	4.50	130.63	94,997.62	95,522.22
HAROT 2025-1 A3 DTD 02/11/2025 4.570% 09/21/2029	43814VAC1	140,000.00	AAA	NR	2/4/2025	2/11/2025	139,995.69	4.57	177.72	139,996.86	140,925.54
HART 2025-A A3 DTD 03/12/2025 4.320% 10/15/2029	44935CAD3	125,000.00	AAA	NR	3/4/2025	3/12/2025	124,981.56	4.32	240.00	124,985.67	125,292.25
HAROT 2025-2 A3 DTD 05/08/2025 4.150% 10/15/2029	437921AD1	40,000.00	NR	Aaa	4/29/2025	5/8/2025	39,995.53	4.15	73.78	39,996.45	40,026.16
TAOT 2025-B A3 DTD 04/30/2025 4.340% 11/15/2029	89231HAD8	75,000.00	AAA	NR	4/24/2025	4/30/2025	74,995.70	4.34	144.67	74,996.74	75,280.58
MBART 2025-1 A3 DTD 01/23/2025 4.780% 12/17/2029	58773DAD6	90,000.00	NR	Aaa	1/14/2025	1/23/2025	89,980.86	4.78	191.20	89,985.34	90,700.83
NAROT 2025-A A3 DTD 05/27/2025 4.490% 12/17/2029	65481GAD7	105,000.00	NR	Aaa	5/20/2025	5/27/2025	104,979.84	4.49	209.53	104,983.52	105,664.86
GMCAR 2025-1 A3 DTD 01/15/2025 4.620% 12/17/2029	362955AD8	60,000.00	NR	Aaa	1/9/2025	1/15/2025	59,995.54	4.62	115.50	59,996.73	60,331.74
AMXCA 2025-1 A DTD 02/11/2025 4.560% 12/17/2029	02582JKM1	190,000.00	AAA	NR	2/4/2025	2/11/2025	189,957.80	4.57	385.07	189,966.98	191,520.19
TAOT 2025-C A3 DTD 07/30/2025 4.110% 03/15/2030	89238VAD0	80,000.00	AAA	Aaa	7/22/2025	7/30/2025	79,991.57	4.11	146.13	79,992.71	80,082.88
ALLYA 2025-1 A3 DTD 10/16/2025 3.960% 03/15/2030	02008KAC7	40,000.00	AAA	NR	10/7/2025	10/16/2025	39,994.29	3.96	70.40	39,994.88	39,957.40

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

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ABS											
VALET 2025-2 A3 DTD 11/25/2025 3.920% 03/20/2030	92869QAD1	70,000.00	NR	Aaa	11/18/2025	11/25/2025	69,988.25	3.92	83.84	69,989.21	69,640.27
VZMT 2025-3 A1A DTD 03/31/2025 4.510% 03/20/2030	92348KDY6	115,000.00	NR	Aaa	3/25/2025	3/31/2025	114,995.06	4.51	158.48	114,996.24	115,513.82
AMXCA 2025-2 A DTD 05/13/2025 4.280% 04/15/2030	02582JKP4	140,000.00	AAA	NR	5/6/2025	5/13/2025	139,997.47	4.28	266.31	139,997.93	140,484.68
FORDO 2025-B A3 DTD 09/26/2025 3.910% 04/15/2030	34532BAG6	80,000.00	NR	Aaa	9/23/2025	9/26/2025	79,991.37	3.91	139.02	79,992.54	79,740.72
WFCIT 2025-A1 A DTD 06/10/2025 4.340% 05/15/2030	92970QAJ4	175,000.00	AAA	NR	6/3/2025	6/10/2025	174,997.10	4.34	337.56	174,998.02	175,908.95
TAOT 2025-D A3 DTD 10/23/2025 3.840% 06/17/2030	89231GAD0	105,000.00	AAA	NR	10/15/2025	10/23/2025	104,987.93	3.84	179.20	104,988.99	104,240.33
CCCIT 2025-A1 A DTD 06/26/2025 4.300% 06/21/2030	17305EHA6	200,000.00	AAA	Aaa	6/18/2025	6/26/2025	199,945.74	4.31	2,388.89	199,953.37	200,590.80
COPAR 2025-1 A3 DTD 11/05/2025 3.850% 07/15/2030	14043YAD7	45,000.00	AAA	NR	10/28/2025	11/5/2025	44,990.47	3.85	77.00	44,991.30	44,769.87
COMET 2025-A1 A DTD 09/16/2025 3.820% 09/15/2030	14041NGF2	120,000.00	AAA	NR	9/9/2025	9/16/2025	119,977.25	3.82	203.73	119,979.87	119,274.72
TAOT 2026-A A3 DTD 01/21/2026 3.860% 09/16/2030	89240KAD0	45,000.00	AAA	Aaa	1/13/2026	1/21/2026	44,996.17	3.86	77.20	44,996.32	44,702.15
HART 2025-D A3 DTD 11/12/2025 3.990% 09/16/2030	44891XAD9	70,000.00	AAA	NR	11/5/2025	11/12/2025	69,994.08	3.99	124.13	69,994.58	69,827.31
HAROT 2026-1 A3 DTD 02/18/2026 3.780% 09/23/2030	43815CAD0	50,000.00	NR	Aaa	2/10/2026	2/18/2026	49,992.04	3.78	52.50	49,992.39	49,585.55
FORDO 2026-A A3 DTD 03/24/2026 4.050% 10/15/2030	34532WAD7	80,000.00	AAA	Aaa	3/17/2026	3/24/2026	79,984.71	4.05	63.00	79,985.10	79,743.76
HART 2026-A A3 DTD 02/18/2026 3.790% 02/18/2031	448981AD2	60,000.00	AAA	NR	2/10/2026	2/18/2026	59,995.95	3.79	101.07	59,996.26	59,492.82

CITY OF UKIAH, CALIFORNIA

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
VZMT 2026-1 A1A DTD 03/13/2026 3.940% 02/20/2031	92348KFC2	170,000.00	NR	Aaa	3/5/2026	3/13/2026	169,976.34	3.94	334.90	169,976.61	169,164.11
Security Type Sub-Total		3,913,094.55					3,912,648.96	4.50	9,167.76	3,912,745.25	3,922,944.41
Managed Account Sub Total		20,601,086.30					20,516,656.57	4.14	138,713.44	20,561,954.85	20,561,811.96
Securities Sub Total		\$20,601,086.30					\$20,516,656.57	4.14%	\$138,713.44	\$20,561,954.85	\$20,561,811.96
Accrued Interest											\$138,713.44
Total Investments											\$20,700,525.40

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
1/7/2026	1/12/2026	80,000.00	89236TPF6	TOYOTA MOTOR CREDIT CORP	3.75%	1/12/2028	79,932.80	3.79%	
1/8/2026	1/12/2026	650,000.00	91282CPP0	US TREASURY N/B	3.50%	12/15/2028	650,810.55	3.55%	
1/13/2026	1/21/2026	45,000.00	89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	44,996.17	3.86%	
1/14/2026	1/22/2026	40,000.00	06406RCG0	BANK OF NY MELLON CORP (CALLABLE)	4.02%	1/22/2030	40,000.00	4.03%	
1/15/2026	1/20/2026	55,000.00	61748UAR3	MORGAN STANLEY (CALLABLE)	4.23%	1/9/2030	55,000.00	4.24%	
1/15/2026	1/23/2026	50,000.00	95000U4D2	WELLS FARGO & COMPANY (CALLABLE)	4.18%	1/23/2030	50,000.00	4.18%	
1/29/2026	2/5/2026	90,000.00	69371RU38	PACCAR FINANCIAL CORP	3.90%	2/5/2029	89,962.20	3.91%	
2/2/2026	2/4/2026	475,000.00	91282CPT2	US TREASURY N/B	3.50%	1/15/2029	474,044.49	3.64%	
2/3/2026	2/10/2026	75,000.00	025816EN5	AMERICAN EXPRESS CO (CALLABLE)	4.00%	2/9/2029	75,000.00	4.01%	
2/9/2026	2/13/2026	20,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	19,927.40	3.83%	
2/10/2026	2/18/2026	60,000.00	448981AD2	HART 2026-A A3	3.79%	2/18/2031	59,995.95	3.79%	
2/10/2026	2/18/2026	50,000.00	43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	49,992.04	3.78%	
2/23/2026	3/9/2026	160,000.00	002824BR0	ABBOTT LABORATORIES (CALLABLE)	3.70%	3/9/2029	159,796.80	3.75%	
2/24/2026	3/4/2026	45,000.00	00287YED7	ABBVIE INC	3.77%	3/3/2028	44,984.70	3.79%	
3/2/2026	3/4/2026	775,000.00	91282CQA2	US TREASURY N/B	3.50%	2/15/2029	776,273.83	3.50%	
3/3/2026	3/6/2026	150,000.00	91282CQA2	US TREASURY N/B	3.50%	2/15/2029	150,257.97	3.50%	
3/5/2026	3/10/2026	40,000.00	24422EYK9	JOHN DEERE CAPITAL CORP	3.90%	3/9/2029	39,946.40	3.95%	

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
3/5/2026	3/13/2026	170,000.00	92348KFC2	VZMT 2026-1 A1A	3.94%	2/20/2031	169,976.34	3.94%	
3/9/2026	3/10/2026	100,000.00	437076CW0	HOME DEPOT INC (CALLABLE)	4.90%	4/15/2029	104,521.61	4.02%	
3/10/2026	3/13/2026	115,000.00	89236TPQ2	TOYOTA MOTOR CREDIT CORP	4.05%	3/13/2029	114,958.60	4.06%	
3/10/2026	3/13/2026	100,000.00	023135DC7	AMAZON.COM INC (CALLABLE)	4.00%	3/13/2029	99,989.00	4.00%	
3/11/2026	3/13/2026	170,000.00	79466LAQ7	SALESFORCE INC (CALLABLE)	4.50%	3/15/2028	169,864.00	4.54%	
3/16/2026	3/18/2026	50,000.00	66989HBF4	NOVARTIS CAPITAL CORP (CALLABLE)	4.10%	3/16/2029	49,941.50	4.14%	
3/17/2026	3/24/2026	80,000.00	34532WAD7	FORDO 2026-A A3	4.05%	10/15/2030	79,984.71	4.05%	
3/17/2026	3/24/2026	145,000.00	92868CAD3	VWALT 2026-A A3	4.17%	3/20/2029	144,992.95	4.17%	
Total BUY		3,790,000.00					3,795,150.01		0.00
CALL									
1/26/2026	1/26/2026	15,000.00	693475BL8	PNC FINANCIAL SERVICES (CALLABLE)	4.75%	1/26/2027	15,000.00	4.76%	
3/6/2026	3/6/2026	15,000.00	63743HFH0	NATIONAL RURAL UTIL COOP (CALLABLE)	4.45%	3/13/2026	15,320.77	4.36%	0.07
3/16/2026	3/16/2026	115,000.00	438516CX2	HONEYWELL INTERNATIONAL (CALLABLE)	4.65%	7/30/2027	117,097.79	3.72%	1,416.01
Total CALL		145,000.00					147,418.56		1,416.08
INTEREST									
1/1/2026	1/1/2026		544647KX7	LOS ANGELES UNIF SD-B	4.38%	7/1/2027	2,358.98		
1/1/2026	1/25/2026		3136BTGM9	FNA 2024-M6 A2	2.99%	7/1/2027	362.99		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/1/2026	1/25/2026		3137BSP72	FHMS K058 A2	2.65%	8/1/2026	386.90		
1/1/2026	1/25/2026		3137FEZU7	FHMS K076 A2	3.90%	4/1/2028	536.25		
1/1/2026	1/25/2026		3137FBBX3	FHMS K068 A2	3.24%	8/1/2027	310.88		
1/1/2026	1/25/2026		3137FBU79	FHMS K069 A2	3.18%	9/1/2027	232.13		
1/1/2026	1/25/2026		3137FAWS3	FHMS K067 A2	3.19%	7/1/2027	399.25		
1/1/2026	1/25/2026		3137FNWX4	FHMS K736 A2	2.28%	7/1/2026	193.28		
1/1/2026	1/25/2026		3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	342.44		
1/1/2026	1/25/2026		3137FCLD4	FHMS K071 A2	3.28%	11/1/2027	246.45		
1/1/2026	1/25/2026		3137F64P9	FHMS K739 A2	1.33%	9/1/2027	218.15		
1/1/2026	1/25/2026		3137FGZT5	FHMS K079 A2	3.92%	6/1/2028	572.54		
1/1/2026	1/25/2026		3137FG6X8	FHMS K077 A2	3.85%	5/1/2028	320.83		
1/1/2026	1/25/2026		3137F4X72	FHMS K075 A2	3.65%	2/1/2028	562.71		
1/1/2026	1/25/2026		3137H14B9	FHMS K743 A2	1.77%	5/1/2028	221.25		
1/1/2026	1/25/2026		3137F4D41	FHMS K074 A2	3.60%	1/1/2028	284.70		
1/1/2026	1/25/2026		3137FETN0	FHMS K073 A2	3.35%	1/1/2028	209.37		
1/2/2026	1/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		118.15		
1/7/2026	1/7/2026		02665WEK3	AMERICAN HONDA FINANCE	5.25%	7/7/2026	1,050.00		

CITY OF UKIAH, CALIFORNIA

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/8/2026	1/8/2026		89236TMY8	TOYOTA MOTOR CREDIT CORP	4.60%	1/8/2027	1,610.00		
1/15/2026	1/15/2026		437921AD1	HAROT 2025-2 A3	4.15%	10/15/2029	138.33		
1/15/2026	1/15/2026		891941AD8	TAOT 2023-B A3	4.71%	2/15/2028	188.94		
1/15/2026	1/15/2026		14043GAD6	COPAR 2022-2 A3	3.66%	5/17/2027	33.66		
1/15/2026	1/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	274.00		
1/15/2026	1/15/2026		891940AC2	TAOT 2023-A A3	4.63%	9/15/2027	52.85		
1/15/2026	1/15/2026		14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	38.97		
1/15/2026	1/15/2026		92970QAJ4	WFCIT 2025-A1 A	4.34%	5/15/2030	632.92		
1/15/2026	1/15/2026		44934QAD3	HART 2024-B A3	4.84%	3/15/2029	504.17		
1/15/2026	1/15/2026		02008FAC8	ALLYA 2024-1 A3	5.08%	12/15/2028	247.03		
1/15/2026	1/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	382.00		
1/15/2026	1/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	271.25		
1/15/2026	1/15/2026		02582JKP4	AMXCA 2025-2 A	4.28%	4/15/2030	499.33		
1/15/2026	1/15/2026		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	439.74		
1/15/2026	1/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	132.00		
1/15/2026	1/15/2026		14318UAD3	CARMX 2022-4 A3	5.34%	8/16/2027	164.68		
1/15/2026	1/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	336.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/15/2026	1/15/2026		65480WAD3	NAROT 2023-A A3	4.91%	11/15/2027	212.49		
1/15/2026	1/15/2026		58773DAD6	MBART 2025-1 A3	4.78%	12/17/2029	358.50		
1/15/2026	1/15/2026		41285JAD0	HDMOT 2023-A A3	5.05%	12/15/2027	93.85		
1/15/2026	1/15/2026		89231CAD9	TAOT 2022-C A3	3.76%	4/15/2027	23.30		
1/15/2026	1/15/2026		89237QAD2	TAOT 2024-C A3	4.88%	3/15/2029	386.33		
1/15/2026	1/15/2026		14043QAC6	COPAR 2022-1 A3	3.17%	4/15/2027	13.42		
1/15/2026	1/15/2026		344928AD8	FORDO 2023-A A3	4.65%	2/15/2028	89.90		
1/15/2026	1/15/2026		65481GAD7	NAROT 2025-A A3	4.49%	12/17/2029	392.88		
1/15/2026	1/15/2026		34535EAD4	FORDO 2024-A A3	5.09%	12/15/2028	339.10		
1/15/2026	1/15/2026		02582JKM1	AMXCA 2025-1 A	4.56%	12/17/2029	722.00		
1/15/2026	1/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	144.37		
1/15/2026	1/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	232.75		
1/15/2026	1/15/2026		91282CKZ3	US TREASURY N/B	4.37%	7/15/2027	4,921.88		
1/15/2026	1/15/2026		58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	69.87		
1/15/2026	1/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	260.67		
1/15/2026	1/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	450.00		
1/15/2026	1/15/2026		448973AD9	HART 2024-A A3	4.99%	2/15/2029	207.38		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/15/2026	1/15/2026		58770AAC7	MBART 2023-1 A3	4.51%	11/15/2027	38.41		
1/15/2026	1/15/2026		34531QAD1	FORDO 2024-B A3	5.10%	4/15/2029	722.50		
1/15/2026	1/15/2026		437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	495.79		
1/15/2026	1/15/2026		44933DAD3	HART 2022-C A3	5.39%	6/15/2027	80.34		
1/15/2026	1/15/2026		57636QBA1	MASTERCARD INC (CALLABLE)	4.10%	1/15/2028	1,435.00		
1/15/2026	1/15/2026		65479UAD0	NAROT 2024-A A3	5.28%	12/15/2028	781.34		
1/15/2026	1/15/2026		91282CNM9	US TREASURY N/B	3.87%	7/15/2028	7,265.63		
1/15/2026	1/15/2026		344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	161.23		
1/16/2026	1/16/2026		362955AD8	GMCAR 2025-1 A3	4.62%	12/17/2029	231.00		
1/16/2026	1/16/2026		36265WAD5	GMCAR 2022-3 A3	3.64%	4/16/2027	0.71		
1/16/2026	1/16/2026		38013KAD2	GMCAR 2024-3 A3	5.13%	4/16/2029	384.75		
1/16/2026	1/16/2026		36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	127.69		
1/18/2026	1/18/2026		05253JAZ4	AUST & NZ BANKING GRP NY	4.75%	1/18/2027	5,937.50		
1/20/2026	1/20/2026		92868MAD1	VALET 2025-1 A3	4.50%	8/20/2029	356.25		
1/20/2026	1/20/2026		92348KDY6	VZMT 2025-3 A1A	4.51%	3/20/2030	432.21		
1/20/2026	1/20/2026		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	228.67		
1/21/2026	1/21/2026		06406RBX4	BANK OF NY MELLON CORP (CALLABLE)	4.89%	7/21/2028	2,934.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/21/2026	1/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	533.17		
1/22/2026	1/22/2026		46647PEL6	JPMORGAN CHASE & CO (CALLABLE)	4.97%	7/22/2028	2,738.45		
1/23/2026	1/23/2026		693475BY0	PNC FINANCIAL SERVICES (CALLABLE)	5.10%	7/23/2027	2,295.90		
1/24/2026	1/24/2026		46647PEU6	JPMORGAN CHASE & CO (CALLABLE)	4.91%	1/24/2029	1,597.38		
1/24/2026	1/24/2026		06051GMK2	BANK OF AMERICA CORP (CALLABLE)	4.97%	1/24/2029	4,232.15		
1/25/2026	1/25/2026		05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	77.39		
1/25/2026	1/25/2026		096919AD7	BMWOT 2024-A A3	5.18%	2/26/2029	425.46		
1/26/2026	1/26/2026		693475BL8	PNC FINANCIAL SERVICES (CALLABLE)	4.75%	1/26/2027	356.85		
1/26/2026	1/26/2026		025816DV8	AMERICAN EXPRESS CO (CALLABLE)	5.04%	7/26/2028	378.23		
1/26/2026	1/26/2026		09290DAH4	BLACKROCK FUNDING INC (CALLABLE)	4.60%	7/26/2027	2,760.00		
1/30/2026	1/30/2026		438516CX2	HONEYWELL INTERNATIONAL (CALLABLE)	4.65%	7/30/2027	2,673.75		
2/1/2026	2/25/2026		3137FGZT5	FHMS K079 A2	3.92%	6/1/2028	572.54		
2/1/2026	2/25/2026		3137F4D41	FHMS K074 A2	3.60%	1/1/2028	284.20		
2/1/2026	2/25/2026		3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	341.81		
2/1/2026	2/25/2026		3137FETN0	FHMS K073 A2	3.35%	1/1/2028	209.37		
2/1/2026	2/25/2026		3137FBBX3	FHMS K068 A2	3.24%	8/1/2027	310.88		
2/1/2026	2/25/2026		3137FEZU7	FHMS K076 A2	3.90%	4/1/2028	536.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/1/2026	2/25/2026		3137BSP72	FHMS K058 A2	2.65%	8/1/2026	386.90		
2/1/2026	2/25/2026		3137FAWS3	FHMS K067 A2	3.19%	7/1/2027	399.25		
2/1/2026	2/25/2026		3137FCLD4	FHMS K071 A2	3.28%	11/1/2027	246.45		
2/1/2026	2/25/2026		3137FNWX4	FHMS K736 A2	2.28%	7/1/2026	190.63		
2/1/2026	2/25/2026		3137FG6X8	FHMS K077 A2	3.85%	5/1/2028	320.83		
2/1/2026	2/25/2026		3136BTGM9	FNA 2024-M6 A2	2.99%	7/1/2027	362.99		
2/1/2026	2/25/2026		3137H14B9	FHMS K743 A2	1.77%	5/1/2028	221.25		
2/1/2026	2/25/2026		3137F4X72	FHMS K075 A2	3.65%	2/1/2028	562.71		
2/1/2026	2/25/2026		3137F64P9	FHMS K739 A2	1.33%	9/1/2027	217.91		
2/1/2026	2/25/2026		3137FBU79	FHMS K069 A2	3.18%	9/1/2027	231.73		
2/2/2026	2/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		231.87		
2/5/2026	2/5/2026		63743HFM9	NATIONAL RURAL UTIL COOP (CALLABLE)	4.80%	2/5/2027	1,920.00		
2/7/2026	2/7/2026		713448GA0	PEPSICO INC (CALLABLE)	4.45%	2/7/2028	3,226.25		
2/8/2026	2/8/2026		69371RT97	PACCAR FINANCIAL CORP	4.00%	8/8/2028	1,500.00		
2/15/2026	2/15/2026		344928AD8	FORDO 2023-A A3	4.65%	2/15/2028	78.49		
2/15/2026	2/15/2026		58773DAD6	MBART 2025-1 A3	4.78%	12/17/2029	358.50		
2/15/2026	2/15/2026		41285JAD0	HDMOT 2023-A A3	5.05%	12/15/2027	81.32		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/15/2026	2/15/2026		437921AD1	HAROT 2025-2 A3	4.15%	10/15/2029	138.33		
2/15/2026	2/15/2026		14318UAD3	CARMX 2022-4 A3	5.34%	8/16/2027	131.95		
2/15/2026	2/15/2026		58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	55.82		
2/15/2026	2/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	382.00		
2/15/2026	2/15/2026		44933DAD3	HART 2022-C A3	5.39%	6/15/2027	59.01		
2/15/2026	2/15/2026		65480WAD3	NAROT 2023-A A3	4.91%	11/15/2027	184.21		
2/15/2026	2/15/2026		891941AD8	TAOT 2023-B A3	4.71%	2/15/2028	171.93		
2/15/2026	2/15/2026		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	403.13		
2/15/2026	2/15/2026		02582JKM1	AMXCA 2025-1 A	4.56%	12/17/2029	722.00		
2/15/2026	2/15/2026		891940AC2	TAOT 2023-A A3	4.63%	9/15/2027	46.21		
2/15/2026	2/15/2026		89231CAD9	TAOT 2022-C A3	3.76%	4/15/2027	17.14		
2/15/2026	2/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	115.80		
2/15/2026	2/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	132.00		
2/15/2026	2/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	450.00		
2/15/2026	2/15/2026		44934QAD3	HART 2024-B A3	4.84%	3/15/2029	504.17		
2/15/2026	2/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	144.37		
2/15/2026	2/15/2026		02008FAC8	ALLYA 2024-1 A3	5.08%	12/15/2028	229.01		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/15/2026	2/15/2026		437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	460.09		
2/15/2026	2/15/2026		14913UBB5	CATERPILLAR FINL SERVICE	4.10%	8/15/2028	2,050.00		
2/15/2026	2/15/2026		14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	22.16		
2/15/2026	2/15/2026		92970QAJ4	WFCIT 2025-A1 A	4.34%	5/15/2030	632.92		
2/15/2026	2/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	232.75		
2/15/2026	2/15/2026		91282CMN8	US TREASURY N/B	4.25%	2/15/2028	12,750.00		
2/15/2026	2/15/2026		14043QAC6	COPAR 2022-1 A3	3.17%	4/15/2027	6.71		
2/15/2026	2/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	260.67		
2/15/2026	2/15/2026		89237QAD2	TAOT 2024-C A3	4.88%	3/15/2029	386.33		
2/15/2026	2/15/2026		91282CNU1	US TREASURY N/B	3.62%	8/15/2028	22,203.13		
2/15/2026	2/15/2026		344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	145.14		
2/15/2026	2/15/2026		65481GAD7	NAROT 2025-A A3	4.49%	12/17/2029	392.88		
2/15/2026	2/15/2026		448973AD9	HART 2024-A A3	4.99%	2/15/2029	194.43		
2/15/2026	2/15/2026		539830CK3	LOCKHEED MARTIN CORP (CALLABLE)	4.15%	8/15/2028	2,270.97		
2/15/2026	2/15/2026		02582JKP4	AMXCA 2025-2 A	4.28%	4/15/2030	499.33		
2/15/2026	2/15/2026		34531QAD1	FORDO 2024-B A3	5.10%	4/15/2029	722.50		
2/15/2026	2/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	274.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/15/2026	2/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	271.25		
2/15/2026	2/15/2026		65479UAD0	NAROT 2024-A A3	5.28%	12/15/2028	725.22		
2/15/2026	2/15/2026		14043GAD6	COPAR 2022-2 A3	3.66%	5/17/2027	24.59		
2/15/2026	2/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	336.00		
2/15/2026	2/15/2026		91282CLG4	US TREASURY N/B	3.75%	8/15/2027	18,281.25		
2/15/2026	2/15/2026		34535EAD4	FORDO 2024-A A3	5.09%	12/15/2028	316.24		
2/15/2026	2/15/2026		58770AAC7	MBART 2023-1 A3	4.51%	11/15/2027	32.60		
2/16/2026	2/16/2026		362955AD8	GMCAR 2025-1 A3	4.62%	12/17/2029	231.00		
2/16/2026	2/16/2026		38013KAD2	GMCAR 2024-3 A3	5.13%	4/16/2029	384.48		
2/16/2026	2/16/2026		36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	116.55		
2/20/2026	2/20/2026		92868MAD1	VALET 2025-1 A3	4.50%	8/20/2029	356.25		
2/20/2026	2/20/2026		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	228.67		
2/20/2026	2/20/2026		92348KDY6	VZMT 2025-3 A1A	4.51%	3/20/2030	432.21		
2/21/2026	2/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	533.17		
2/22/2026	2/22/2026		023135BC9	AMAZON.COM INC (CALLABLE)	3.15%	8/22/2027	1,968.75		
2/24/2026	2/24/2026		427866BK3	HERSHEY COMPANY (CALLABLE)	4.55%	2/24/2028	910.00		
2/24/2026	2/24/2026		17275RBW1	CISCO SYSTEMS INC (CALLABLE)	4.55%	2/24/2028	796.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/25/2026	2/25/2026		63743HFZ0	NATIONAL RURAL UTIL COOP (CALLABLE)	4.15%	8/25/2028	1,245.00		
2/25/2026	2/25/2026		096919AD7	BMWOT 2024-A A3	5.18%	2/26/2029	394.81		
2/25/2026	2/25/2026		05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	68.20		
2/26/2026	2/26/2026		17275RBQ4	CISCO SYSTEMS INC (CALLABLE)	4.80%	2/26/2027	3,480.00		
2/26/2026	2/26/2026		17275RBR2	CISCO SYSTEMS INC (CALLABLE)	4.85%	2/26/2029	2,425.00		
2/28/2026	2/28/2026		91282CNV9	US TREASURY N/B	3.62%	8/31/2027	4,531.25		
3/1/2026	3/1/2026		478160DH4	JOHNSON & JOHNSON (CALLABLE)	4.55%	3/1/2028	682.50		
3/1/2026	3/25/2026		3137FBBX3	FHMS K068 A2	3.24%	8/1/2027	310.88		
3/1/2026	3/25/2026		3137F64P9	FHMS K739 A2	1.33%	9/1/2027	217.68		
3/1/2026	3/25/2026		3137F4X72	FHMS K075 A2	3.65%	2/1/2028	562.71		
3/1/2026	3/25/2026		3137FCLD4	FHMS K071 A2	3.28%	11/1/2027	246.45		
3/1/2026	3/25/2026		3137F4D41	FHMS K074 A2	3.60%	1/1/2028	283.70		
3/1/2026	3/25/2026		3137FG6X8	FHMS K077 A2	3.85%	5/1/2028	320.83		
3/1/2026	3/25/2026		3137H14B9	FHMS K743 A2	1.77%	5/1/2028	221.25		
3/1/2026	3/25/2026		3137FETN0	FHMS K073 A2	3.35%	1/1/2028	209.37		
3/1/2026	3/25/2026		3136BTGM9	FNA 2024-M6 A2	2.99%	7/1/2027	363.03		
3/1/2026	3/25/2026		3137FBU79	FHMS K069 A2	3.18%	9/1/2027	231.33		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/1/2026	3/25/2026		3137FNWX4	FHMS K736 A2	2.28%	7/1/2026	190.33		
3/1/2026	3/25/2026		3137FGZT5	FHMS K079 A2	3.92%	6/1/2028	572.54		
3/1/2026	3/25/2026		3137BSP72	FHMS K058 A2	2.65%	8/1/2026	386.90		
3/1/2026	3/25/2026		3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	304.21		
3/1/2026	3/25/2026		3137FAWS3	FHMS K067 A2	3.19%	7/1/2027	399.25		
3/1/2026	3/25/2026		3137FEZU7	FHMS K076 A2	3.90%	4/1/2028	536.25		
3/2/2026	3/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		175.75		
3/2/2026	3/2/2026		808513AQ8	CHARLES SCHWAB CORP (CALLABLE)	3.20%	3/2/2027	960.00		
3/12/2026	3/12/2026		02665WFD8	AMERICAN HONDA FINANCE	4.90%	3/12/2027	1,960.00		
3/14/2026	3/14/2026		437076BT8	HOME DEPOT INC (CALLABLE)	2.80%	9/14/2027	1,050.00		
3/15/2026	3/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	144.75		
3/15/2026	3/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	271.25		
3/15/2026	3/15/2026		89237QAD2	TAOT 2024-C A3	4.88%	3/15/2029	386.33		
3/15/2026	3/15/2026		14043GAD6	COPAR 2022-2 A3	3.66%	5/17/2027	15.65		
3/15/2026	3/15/2026		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	368.57		
3/15/2026	3/15/2026		891940AC2	TAOT 2023-A A3	4.63%	9/15/2027	39.83		
3/15/2026	3/15/2026		91282CNY3	US TREASURY N/B	3.37%	9/15/2028	9,281.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/15/2026	3/15/2026		91282CLL3	US TREASURY N/B	3.37%	9/15/2027	3,375.00		
3/15/2026	3/15/2026		41285JAD0	HDMOT 2023-A A3	5.05%	12/15/2027	68.50		
3/15/2026	3/15/2026		58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	43.84		
3/15/2026	3/15/2026		89231CAD9	TAOT 2022-C A3	3.76%	4/15/2027	11.47		
3/15/2026	3/15/2026		448981AD2	HART 2026-A A3	3.79%	2/18/2031	170.55		
3/15/2026	3/15/2026		34535EAD4	FORDO 2024-A A3	5.09%	12/15/2028	297.27		
3/15/2026	3/15/2026		44933DAD3	HART 2022-C A3	5.39%	6/15/2027	38.54		
3/15/2026	3/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	450.00		
3/15/2026	3/15/2026		65479UAD0	NAROT 2024-A A3	5.28%	12/15/2028	674.30		
3/15/2026	3/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	274.00		
3/15/2026	3/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	260.67		
3/15/2026	3/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	336.00		
3/15/2026	3/15/2026		44934QAD3	HART 2024-B A3	4.84%	3/15/2029	504.17		
3/15/2026	3/15/2026		14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	5.24		
3/15/2026	3/15/2026		344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	132.20		
3/15/2026	3/15/2026		14318UAD3	CARMX 2022-4 A3	5.34%	8/16/2027	99.43		
3/15/2026	3/15/2026		34531QAD1	FORDO 2024-B A3	5.10%	4/15/2029	722.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/15/2026	3/15/2026		437921AD1	HAROT 2025-2 A3	4.15%	10/15/2029	138.33		
3/15/2026	3/15/2026		58933YBW4	MERCK & CO INC (CALLABLE)	3.85%	3/15/2029	648.08		
3/15/2026	3/15/2026		448973AD9	HART 2024-A A3	4.99%	2/15/2029	182.21		
3/15/2026	3/15/2026		02582JKP4	AMXCA 2025-2 A	4.28%	4/15/2030	499.33		
3/15/2026	3/15/2026		63743HFG2	NATIONAL RURAL UTIL COOP (CALLABLE)	4.80%	3/15/2028	1,800.00		
3/15/2026	3/15/2026		02582JKM1	AMXCA 2025-1 A	4.56%	12/17/2029	722.00		
3/15/2026	3/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	232.75		
3/15/2026	3/15/2026		65481GAD7	NAROT 2025-A A3	4.49%	12/17/2029	392.88		
3/15/2026	3/15/2026		891941AD8	TAOT 2023-B A3	4.71%	2/15/2028	156.08		
3/15/2026	3/15/2026		57636QBF0	MASTERCARD INC (CALLABLE)	4.55%	3/15/2028	1,137.50		
3/15/2026	3/15/2026		58770AAC7	MBART 2023-1 A3	4.51%	11/15/2027	27.38		
3/15/2026	3/15/2026		65480WAD3	NAROT 2023-A A3	4.91%	11/15/2027	158.21		
3/15/2026	3/15/2026		14043QAC6	COPAR 2022-1 A3	3.17%	4/15/2027	0.18		
3/15/2026	3/15/2026		95000U4A8	WELLS FARGO & COMPANY (CALLABLE)	4.07%	9/15/2029	1,529.25		
3/15/2026	3/15/2026		344928AD8	FORDO 2023-A A3	4.65%	2/15/2028	69.04		
3/15/2026	3/15/2026		02008FAC8	ALLYA 2024-1 A3	5.08%	12/15/2028	212.02		
3/15/2026	3/15/2026		91282CMS7	US TREASURY N/B	3.87%	3/15/2028	6,781.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/15/2026	3/15/2026		58773DAD6	MBART 2025-1 A3	4.78%	12/17/2029	358.50		
3/15/2026	3/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	144.37		
3/15/2026	3/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	382.00		
3/15/2026	3/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	132.00		
3/15/2026	3/15/2026		92970QAJ4	WFCIT 2025-A1 A	4.34%	5/15/2030	632.92		
3/15/2026	3/15/2026		437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	426.52		
3/16/2026	3/16/2026		36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	105.63		
3/16/2026	3/16/2026		362955AD8	GMCAR 2025-1 A3	4.62%	12/17/2029	231.00		
3/16/2026	3/16/2026		38013KAD2	GMCAR 2024-3 A3	5.13%	4/16/2029	361.63		
3/19/2026	3/19/2026		89236TLY9	TOYOTA MOTOR CREDIT CORP	5.00%	3/19/2027	1,250.00		
3/20/2026	3/20/2026		92348KDY6	VZMT 2025-3 A1A	4.51%	3/20/2030	432.21		
3/20/2026	3/20/2026		92868MAD1	VALET 2025-1 A3	4.50%	8/20/2029	356.25		
3/20/2026	3/20/2026		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	228.67		
3/21/2026	3/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	533.17		
3/21/2026	3/21/2026		43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	173.25		
3/24/2026	3/24/2026		007903BJ5	ADVANCED MICRO DEVICES (CALLABLE)	4.31%	3/24/2028	1,619.63		
3/25/2026	3/25/2026		096919AD7	BMWOT 2024-A A3	5.18%	2/26/2029	367.77		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/25/2026	3/25/2026		05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	60.03		
3/30/2026	3/30/2026		440452AK6	HORMEL FOODS CORP (CALLABLE)	4.80%	3/30/2027	1,200.00		
Total INTEREST		0.00					213,583.83		0.00
PAYDOWNS									
1/1/2026	1/25/2026	150.45	3137FBU79	FHMS K069 A2	3.18%	9/1/2027	150.45		4.02
1/1/2026	1/25/2026	208.50	3137F64P9	FHMS K739 A2	1.33%	9/1/2027	208.50		9.86
1/1/2026	1/25/2026	170.27	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	170.27		2.00
1/1/2026	1/25/2026	167.32	3137F4D41	FHMS K074 A2	3.60%	1/1/2028	167.32		2.62
1/1/2026	1/25/2026	127.70	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	127.70		1.12
1/1/2026	1/25/2026	1,390.83	3137FNWX4	FHMS K736 A2	2.28%	7/1/2026	1,390.82		20.38
1/15/2026	1/15/2026	1,968.24	89231CAD9	TAOT 2022-C A3	3.76%	4/15/2027	1,968.24		0.09
1/15/2026	1/15/2026	8,221.09	437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	8,221.09		0.20
1/15/2026	1/15/2026	2,944.77	344928AD8	FORDO 2023-A A3	4.65%	2/15/2028	2,944.77		0.13
1/15/2026	1/15/2026	3,235.71	58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	3,235.71		0.21
1/15/2026	1/15/2026	2,543.19	14043QAC6	COPAR 2022-1 A3	3.17%	4/15/2027	2,543.19		0.14
1/15/2026	1/15/2026	6,910.87	65480WAD3	NAROT 2023-A A3	4.91%	11/15/2027	6,910.87		0.49
1/15/2026	1/15/2026	5,390.11	34535EAD4	FORDO 2024-A A3	5.09%	12/15/2028	5,390.11		0.58

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
1/15/2026	1/15/2026	1,546.28	58770AAC7	MBART 2023-1 A3	4.51%	11/15/2027	1,546.28		0.07
1/15/2026	1/15/2026	4,750.21	44933DAD3	HART 2022-C A3	5.39%	6/15/2027	4,750.21		0.01
1/15/2026	1/15/2026	7,355.73	14318UAD3	CARMX 2022-4 A3	5.34%	8/16/2027	7,355.73		0.57
1/15/2026	1/15/2026	4,334.31	891941AD8	TAOT 2023-B A3	4.71%	2/15/2028	4,334.31		0.11
1/15/2026	1/15/2026	7,945.08	31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	7,945.08		0.26
1/15/2026	1/15/2026	5,082.10	14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	5,082.10		0.03
1/15/2026	1/15/2026	3,113.02	448973AD9	HART 2024-A A3	4.99%	2/15/2029	3,113.02		0.44
1/15/2026	1/15/2026	3,692.00	344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	3,692.00		0.02
1/15/2026	1/15/2026	2,974.47	14043GAD6	COPAR 2022-2 A3	3.66%	5/17/2027	2,974.47		0.06
1/15/2026	1/15/2026	1,719.37	891940AC2	TAOT 2023-A A3	4.63%	9/15/2027	1,719.37		
1/15/2026	1/15/2026	2,978.55	41285JAD0	HDMOT 2023-A A3	5.05%	12/15/2027	2,978.55		0.12
1/15/2026	1/15/2026	12,754.99	65479UAD0	NAROT 2024-A A3	5.28%	12/15/2028	12,754.99		0.79
1/15/2026	1/15/2026	4,256.67	02008FAC8	ALLYA 2024-1 A3	5.08%	12/15/2028	4,256.67		0.39
1/16/2026	1/16/2026	2,452.42	36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	2,452.42		0.05
1/16/2026	1/16/2026	64.07	38013KAD2	GMCAR 2024-3 A3	5.13%	4/16/2029	64.07		0.01
1/16/2026	1/16/2026	233.90	36265WAD5	GMCAR 2022-3 A3	3.64%	4/16/2027	233.90		
1/25/2026	1/25/2026	7,098.90	096919AD7	BMWOT 2024-A A3	5.18%	2/26/2029	7,098.90		0.73

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
1/25/2026	1/25/2026	2,016.10	05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	2,016.10		0.16
2/1/2026	2/25/2026	150.97	3137FBU79	FHMS K069 A2	3.18%	9/1/2027	150.97		3.85
2/1/2026	2/25/2026	167.93	3137F4D41	FHMS K074 A2	3.60%	1/1/2028	167.93		2.53
2/1/2026	2/25/2026	161.92	3137FNWX4	FHMS K736 A2	2.28%	7/1/2026	161.92		2.02
2/1/2026	2/25/2026	10,031.32	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	10,031.32		100.43
2/1/2026	2/25/2026	7,523.49	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	7,523.49		56.33
2/1/2026	2/25/2026	209.06	3137F64P9	FHMS K739 A2	1.33%	9/1/2027	209.06		9.43
2/15/2026	2/15/2026	1,654.83	891940AC2	TAOT 2023-A A3	4.63%	9/15/2027	1,654.83		
2/15/2026	2/15/2026	7,499.16	31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	7,499.16		0.23
2/15/2026	2/15/2026	5,114.60	14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	5,114.60		0.03
2/15/2026	2/15/2026	7,732.66	437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	7,732.66		0.18
2/15/2026	2/15/2026	11,572.89	65479UAD0	NAROT 2024-A A3	5.28%	12/15/2028	11,572.89		0.70
2/15/2026	2/15/2026	4,472.30	34535EAD4	FORDO 2024-A A3	5.09%	12/15/2028	4,472.30		0.47
2/15/2026	2/15/2026	7,307.63	14318UAD3	CARMX 2022-4 A3	5.34%	8/16/2027	7,307.63		0.53
2/15/2026	2/15/2026	4,038.79	891941AD8	TAOT 2023-B A3	4.71%	2/15/2028	4,038.79		0.10
2/15/2026	2/15/2026	2,969.00	344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	2,969.00		0.01
2/15/2026	2/15/2026	1,810.20	89231CAD9	TAOT 2022-C A3	3.76%	4/15/2027	1,810.20		0.08

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
2/15/2026	2/15/2026	2,759.25	58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	2,759.25		0.17
2/15/2026	2/15/2026	3,045.60	41285JAD0	HDMOT 2023-A A3	5.05%	12/15/2027	3,045.60		0.12
2/15/2026	2/15/2026	4,557.98	44933DAD3	HART 2022-C A3	5.39%	6/15/2027	4,557.98		0.01
2/15/2026	2/15/2026	4,013.69	02008FAC8	ALLYA 2024-1 A3	5.08%	12/15/2028	4,013.69		0.36
2/15/2026	2/15/2026	2,939.03	448973AD9	HART 2024-A A3	4.99%	2/15/2029	2,939.03		0.41
2/15/2026	2/15/2026	2,930.59	14043GAD6	COPAR 2022-2 A3	3.66%	5/17/2027	2,930.59		0.06
2/15/2026	2/15/2026	2,469.27	14043QAC6	COPAR 2022-1 A3	3.17%	4/15/2027	2,469.27		0.13
2/15/2026	2/15/2026	6,354.85	65480WAD3	NAROT 2023-A A3	4.91%	11/15/2027	6,354.85		0.43
2/15/2026	2/15/2026	2,440.14	344928AD8	FORDO 2023-A A3	4.65%	2/15/2028	2,440.14		0.10
2/15/2026	2/15/2026	1,389.34	58770AAC7	MBART 2023-1 A3	4.51%	11/15/2027	1,389.34		0.06
2/16/2026	2/16/2026	2,405.28	36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	2,405.28		0.04
2/16/2026	2/16/2026	5,343.96	38013KAD2	GMCAR 2024-3 A3	5.13%	4/16/2029	5,343.96		0.56
2/25/2026	2/25/2026	6,265.05	096919AD7	BMWOT 2024-A A3	5.18%	2/26/2029	6,265.05		0.63
2/25/2026	2/25/2026	1,791.26	05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	1,791.26		0.14
3/1/2026	3/25/2026	205.90	3137F4D41	FHMS K074 A2	3.60%	1/1/2028	205.90		2.97
3/1/2026	3/25/2026	183.02	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	183.02		1.51
3/1/2026	3/25/2026	238.32	3137F64P9	FHMS K739 A2	1.33%	9/1/2027	238.32		10.23

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
3/1/2026	3/25/2026	395.18	3136BTGM9	FNA 2024-M6 A2	2.99%	7/1/2027	395.18		7.67
3/1/2026	3/25/2026	3,262.16	3137FNWX4	FHMS K736 A2	2.28%	7/1/2026	3,262.16		33.76
3/1/2026	3/25/2026	137.27	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	137.27		0.85
3/1/2026	3/25/2026	180.15	3137FBU79	FHMS K069 A2	3.18%	9/1/2027	180.15		4.38
3/15/2026	3/15/2026	69.42	14043QAC6	COPAR 2022-1 A3	3.17%	4/15/2027	69.39		-0.02
3/15/2026	3/15/2026	7,149.63	31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	7,149.63		0.22
3/15/2026	3/15/2026	2,882.86	448973AD9	HART 2024-A A3	4.99%	2/15/2029	2,882.86		0.39
3/15/2026	3/15/2026	2,699.33	14043GAD6	COPAR 2022-2 A3	3.66%	5/17/2027	2,699.33		0.05
3/15/2026	3/15/2026	1,590.19	891940AC2	TAOT 2023-A A3	4.63%	9/15/2027	1,590.19		
3/15/2026	3/15/2026	2,359.36	58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	2,359.36		0.14
3/15/2026	3/15/2026	4,207.97	34535EAD4	FORDO 2024-A A3	5.09%	12/15/2028	4,207.97		0.43
3/15/2026	3/15/2026	4,523.34	44933DAD3	HART 2022-C A3	5.39%	6/15/2027	4,523.34		0.01
3/15/2026	3/15/2026	3,000.32	344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	3,000.32		0.02
3/15/2026	3/15/2026	7,389.09	437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	7,389.09		0.17
3/15/2026	3/15/2026	5,735.04	65480WAD3	NAROT 2023-A A3	4.91%	11/15/2027	5,735.04		0.37
3/15/2026	3/15/2026	1,649.96	89231CAD9	TAOT 2022-C A3	3.76%	4/15/2027	1,649.96		0.06
3/15/2026	3/15/2026	1,583.40	14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	1,583.40		0.01

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
3/15/2026	3/15/2026	2,277.66	89237QAD2	TAOT 2024-C A3	4.88%	3/15/2029	2,277.66		
3/15/2026	3/15/2026	2,207.83	344928AD8	FORDO 2023-A A3	4.65%	2/15/2028	2,207.83		0.09
3/15/2026	3/15/2026	6,062.49	34531QAD1	FORDO 2024-B A3	5.10%	4/15/2029	6,062.49		0.03
3/15/2026	3/15/2026	1,205.10	58770AAC7	MBART 2023-1 A3	4.51%	11/15/2027	1,205.10		0.05
3/15/2026	3/15/2026	3,055.14	41285JAD0	HDMOT 2023-A A3	5.05%	12/15/2027	3,055.14		0.11
3/15/2026	3/15/2026	3,814.83	891941AD8	TAOT 2023-B A3	4.71%	2/15/2028	3,814.83		0.09
3/15/2026	3/15/2026	3,858.45	02008FAC8	ALLYA 2024-1 A3	5.08%	12/15/2028	3,858.45		0.34
3/15/2026	3/15/2026	11,056.37	65479UAD0	NAROT 2024-A A3	5.28%	12/15/2028	11,056.37		0.65
3/15/2026	3/15/2026	6,942.05	14318UAD3	CARMX 2022-4 A3	5.34%	8/16/2027	6,942.05		0.48
3/16/2026	3/16/2026	5,568.09	38013KAD2	GMCAR 2024-3 A3	5.13%	4/16/2029	5,568.09		0.57
3/16/2026	3/16/2026	2,295.43	36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	2,295.43		0.04
3/25/2026	3/25/2026	5,711.83	096919AD7	BMWOT 2024-A A3	5.18%	2/26/2029	5,711.83		0.56
3/25/2026	3/25/2026	1,607.20	05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	1,607.20		0.12
Total PAYDOWNS		334,023.64					334,023.60		292.15
SELL									
1/7/2026	1/8/2026	70,000.00	89236TMY8	TOYOTA MOTOR CREDIT CORP	4.60%	1/8/2027	70,611.10		630.78
1/8/2026	1/12/2026	600,000.00	91282CKR1	US TREASURY N/B	4.50%	5/15/2027	612,083.78		7,868.05

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
1/16/2026	1/21/2026	105,000.00	882508CE2	TEXAS INSTRUMENTS INC (CALLABLE)	4.60%	2/8/2027	108,015.37		852.85
2/2/2026	2/4/2026	120,000.00	532457CJ5	ELI LILLY & CO (CALLABLE)	4.50%	2/9/2027	123,549.00		946.35
2/2/2026	2/4/2026	150,000.00	91282CKR1	US TREASURY N/B	4.50%	5/15/2027	153,250.59		1,766.52
2/2/2026	2/4/2026	200,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	204,092.90		2,688.48
2/3/2026	2/6/2026	50,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	51,033.98		670.28
2/9/2026	2/13/2026	25,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	25,556.80		352.90
2/23/2026	2/27/2026	25,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	25,589.55		284.81
2/23/2026	2/27/2026	50,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	51,179.12		683.12
2/24/2026	3/2/2026	50,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	51,186.45		558.78
3/2/2026	3/4/2026	100,000.00	91282CLG4	US TREASURY N/B	3.75%	8/15/2027	100,476.88		122.35
3/2/2026	3/4/2026	200,000.00	91282CKV2	US TREASURY N/B	4.62%	6/15/2027	204,687.24		2,128.04
3/2/2026	3/4/2026	225,000.00	91282CKZ3	US TREASURY N/B	4.37%	7/15/2027	228,810.13		1,270.81
3/2/2026	3/4/2026	150,000.00	91282CLG4	US TREASURY N/B	3.75%	8/15/2027	150,715.33		263.97
3/2/2026	3/4/2026	70,000.00	00724PAE9	ADOBE INC (CALLABLE)	4.85%	4/4/2027	72,175.48		774.10
3/3/2026	3/6/2026	80,985.12	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	80,564.81		198.45
3/3/2026	3/6/2026	60,738.84	3137BRQJ7	FHMS K057 A2	2.57%	7/1/2026	60,423.61		26.38
3/5/2026	3/10/2026	200,000.00	91282CLG4	US TREASURY N/B	3.75%	8/15/2027	200,867.15		37.76

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
3/6/2026	3/10/2026	150,000.00	63873QP65	NATIXIS NY BRANCH	5.61%	9/18/2026	155,325.95		1,282.07
3/10/2026	3/13/2026	150,000.00	91282CPT2	US TREASURY N/B	3.50%	1/15/2029	150,404.79		150.21
3/11/2026	3/13/2026	60,000.00	808513AQ8	CHARLES SCHWAB CORP (CALLABLE)	3.20%	3/2/2027	59,660.87		328.61
3/11/2026	3/13/2026	125,000.00	91282CLX7	US TREASURY N/B	4.12%	11/15/2027	127,588.97		893.79
3/17/2026	3/19/2026	25,000.00	91282CLG4	US TREASURY N/B	3.75%	8/15/2027	25,100.45		-25.78
Total SELL		3,041,723.96					3,092,950.30		24,753.68

Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

PFMAM professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources external to PFMAM and is generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness or suitability. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular issuers are for illustrative purposes only and are not intended to be recommendations or advice regarding such issuers. Fixed income manager and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

City Ukiah

Investment Program Update Presentation to the City Council

Allison Kaune, Relationship Manager

415-515-6389

June 3, 2026



- Geopolitics has overtaken U.S. macro fundamentals as the market's primary focus
 - Conflict in Iran has increased near-term inflation risks due to higher commodity prices
 - Unemployment rate remains stable with net new job creation low
 - Consumer spending and business investment continue to support growth, though momentum is slowing

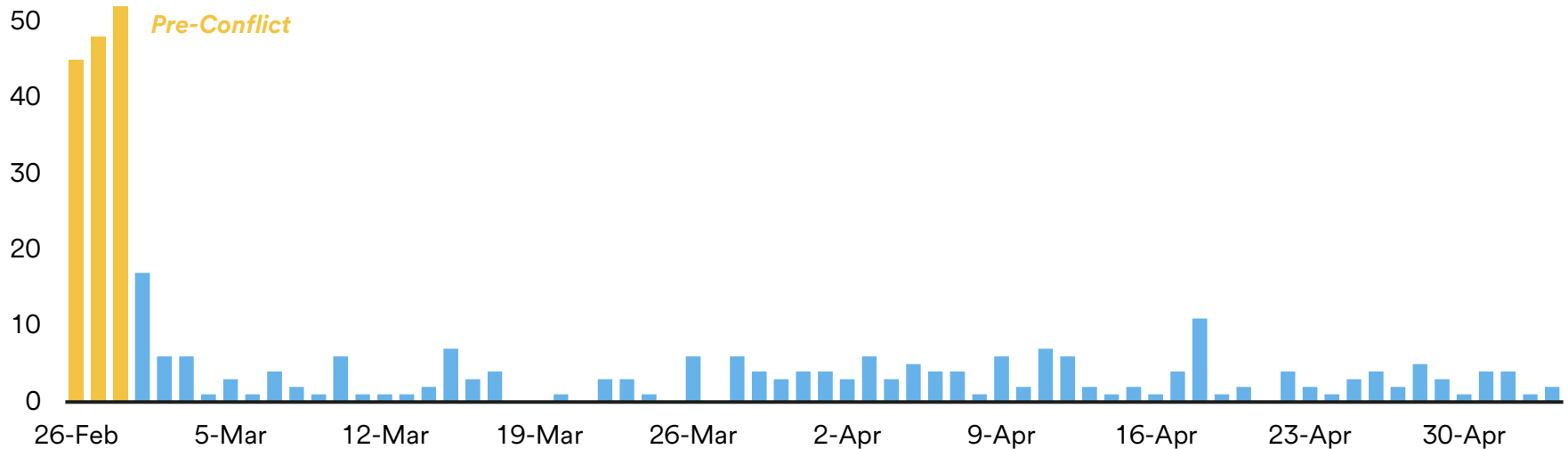


- The Federal Reserve is on pause, after cutting 0.75% in 2025, target rate at 3.50%-3.75%
 - The median “dot plot” projection from March meeting show one 25 basis point cut in 2026, though individual projections showed less easing
 - At March meeting, Fed Chair Powell acknowledged the path forward is complicated by geopolitical uncertainty



- Rising yields unwind the inversion in the Treasury curve
 - Escalating Middle East conflict drove a spike in volatility
 - Credit spreads widened from historically tight levels amid heavy supply and geopolitical pressure

Strait of Hormuz Outbound Transits



National Average, per gallon



\$4.46

+\$1.48

+49.7%

Price Change since beginning of conflict

\$6.11

Most expensive
California

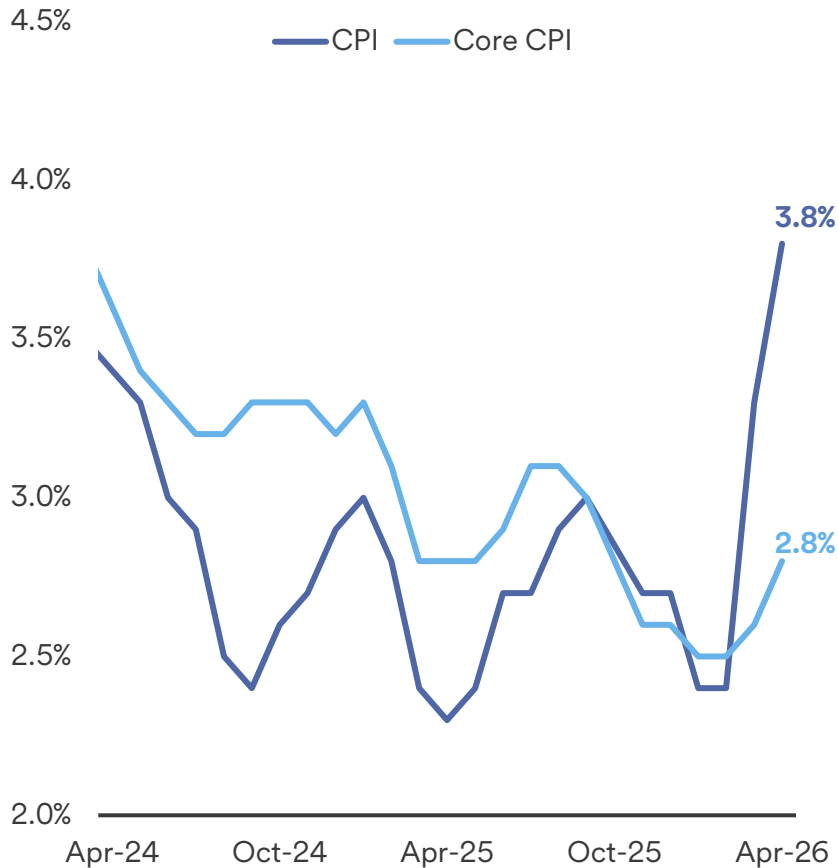
\$3.86

Least expensive
Georgia

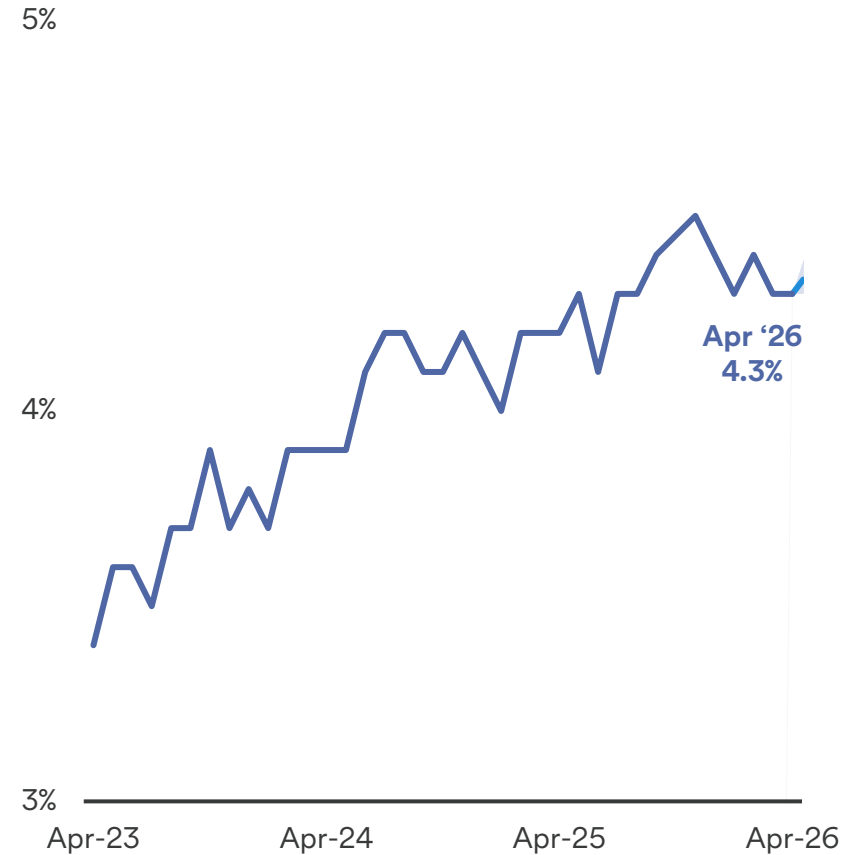
Sources: Bloomberg Finance L.P. and AAA.com as of May 4, 2026. Price changes since February 27th with a national gas price of \$2.98/gallon.

Consumer Price Index

Year-over-year Change

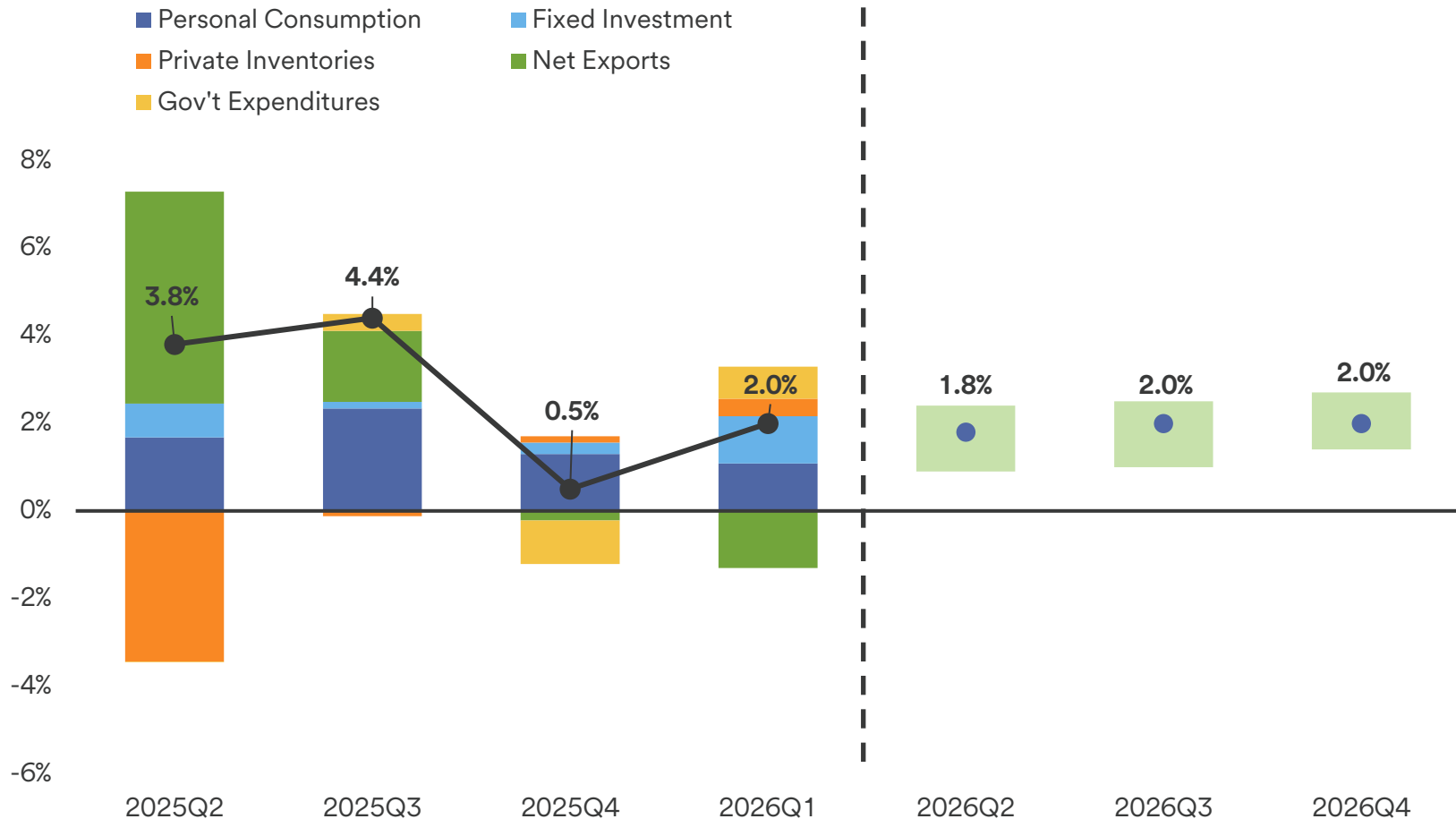


Unemployment Rate



Source: Bureau of Labor Statistics and Bloomberg Finance L.P., as of April 2026. .

U.S. Real GDP Contributors and Detractors

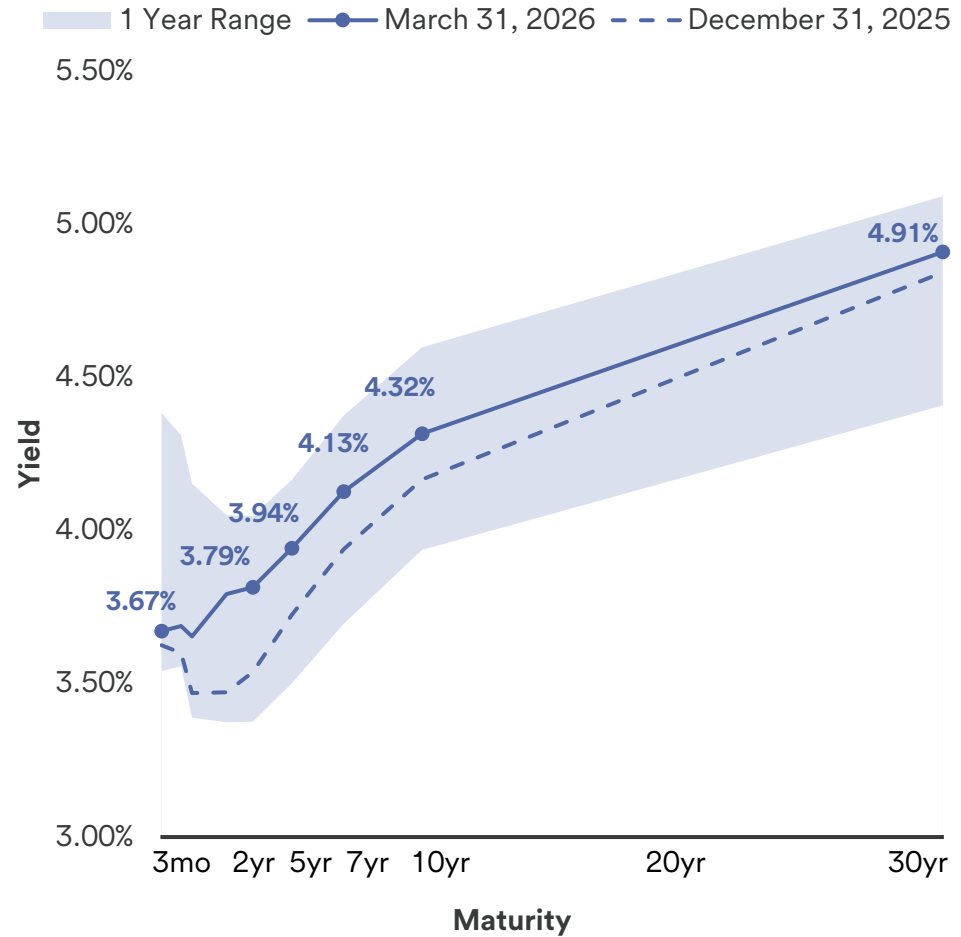


Source: Bloomberg Finance L.P. and Bureau of Economic Analysis, as of March 2026 (left). Forecasts sourced from Bloomberg survey of private sector economists and bank/financial institutions after April 24, 2026, included in Median and forecast range. Shading represents the central 80% of the forecasts (right).

2-Year U.S. Treasury Yield



U.S. Treasury Yield Curve



Safety

- High Quality investments
- Diversification by sector, issuer, and maturity

Liquidity

- Cash flow coordination with the City
- Appropriate allocation among overnight and invested balances

Return on Investment

- Duration management
- Active trading and continual evaluation of relative value among allowable sectors



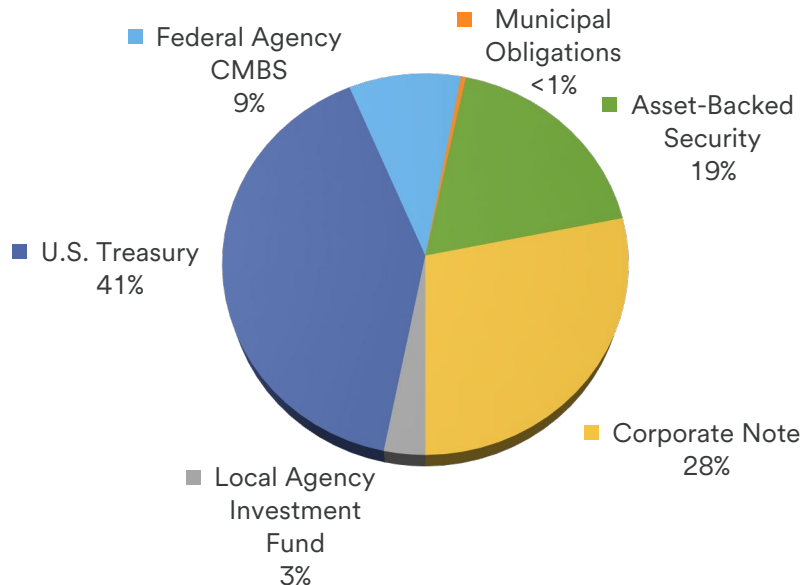
City of Ukiah Portfolio Snapshot as of March 31, 2026

Attachment 2

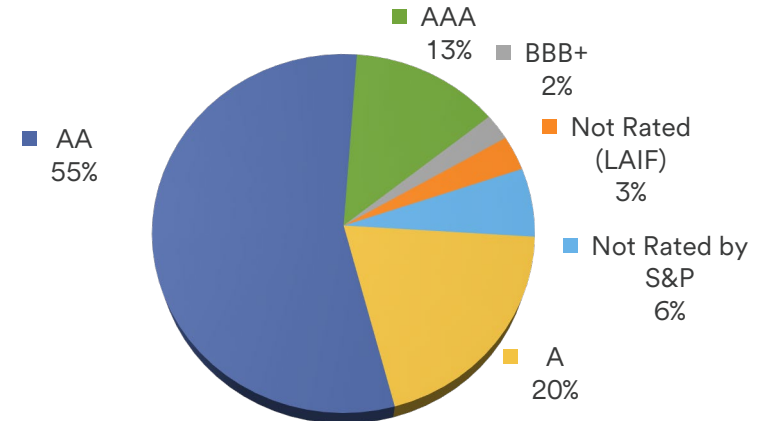
Portfolio Statistics

Market Value	\$21,266,036.35
Yield at cost	4.14%
Yield at market	4.04%
Average maturity (years)	2.38
Average Credit	AA

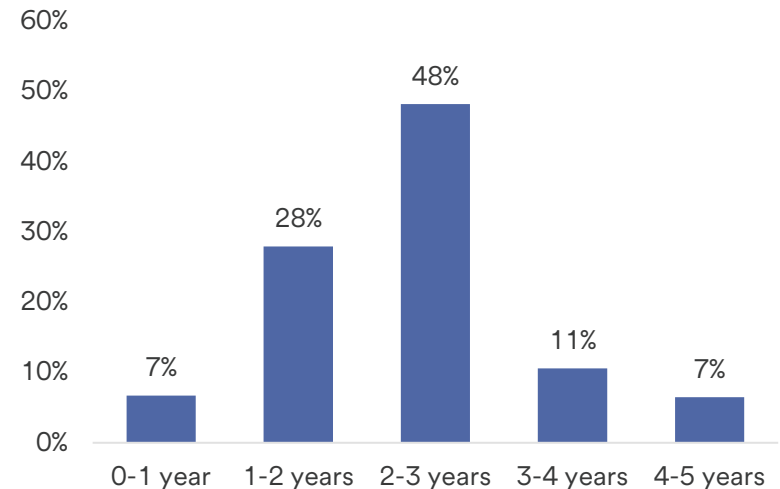
Sector Allocation



Credit Quality (S&P Ratings)



Maturity Distribution

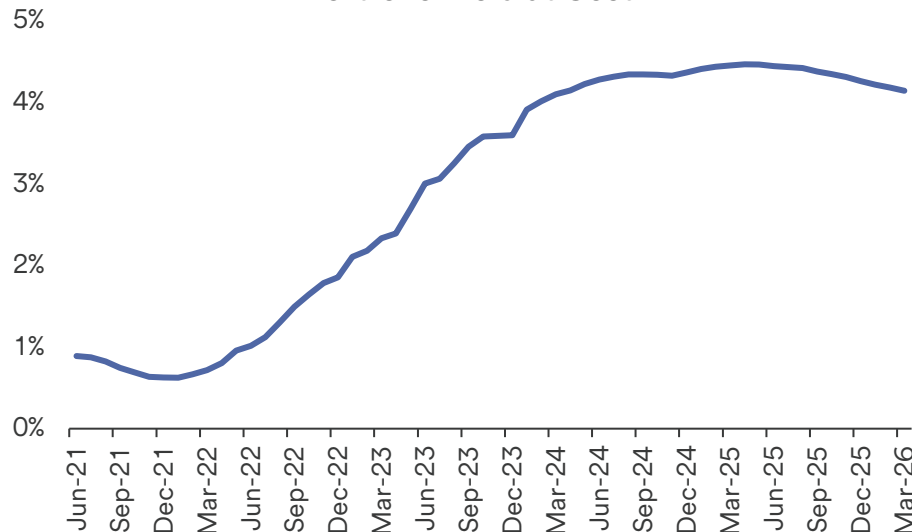


Portfolio market value and charts include funds managed by PFAM and balances in LAIF. Excludes accrued interest.
Yield at cost, yield at market, and average credit exclude LAIF.
Securities held in the City's portfolio are in compliance with California Government Code and the City's investment policy.

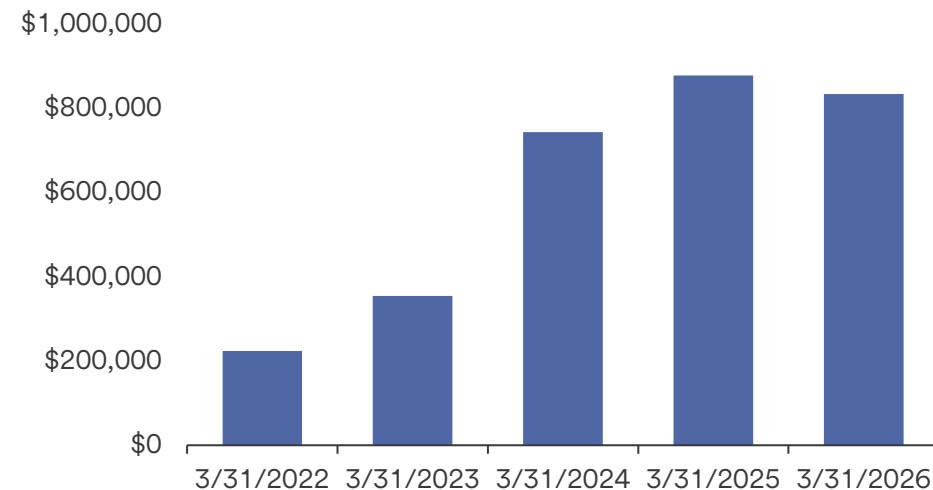
Total Return For Period Ending March 31, 2026

	Duration	Annualized Total Return			
		Past Year	Past 3 Years	Past 5 Years	Past 10 Years
City of Ukiah	1.79	4.19%	4.50%	2.24%	2.17%
Performance Benchmark (1-3 Year U.S. Treasury Index)	1.76	3.75%	4.04%	1.86%	1.78%
Difference	-	+0.44%	+0.46%	+0.38%	+0.39%

Portfolio Yield at Cost



Annual Interest Earnings 12-Months Ended March 31



Performance and interest earnings on trade-date basis, gross of PFMAM fees. Excludes funds invested in LAIF. Index data provided by Bloomberg Financial Markets.

- The inflation outlook depends on the duration of the Middle East conflict and the degree to which higher energy and commodity costs raise core goods and services prices.
- The labor market remains in its “low hire, low fire” environment. The Fed has framed the combination of limited job growth and a stable unemployment rate as an uncomfortable balance.
- While recession risk remains low, consumer sentiment continues to trend near all-time lows as labor market outlooks remain steady and headline inflation worsens.
- Key factors in City’s investment strategy:
 - Maintain broad diversification by sector, industry, and issuer
 - Continue to coordinate cash flow needs with City
 - Carefully manage risk and maintain high credit quality



Disclaimer

The views expressed within this material constitute the perspective and judgment of U.S. Bancorp Asset Management, Inc. at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. No representation is made as to its accuracy or completeness.

PFM Asset Management serves clients in the public sector and is a division of U.S. Bancorp Asset Management, Inc., which is the legal entity providing investment advisory services. U.S. Bancorp Asset Management, Inc. is a registered investment adviser, a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bank N.A. is not responsible for and does not guarantee the products, services, or performance of U.S. Bancorp Asset Management, Inc.

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CITY OF UKIAH
STATEMENT OF INVESTMENT POLICY
~~May 21, 2025~~ May X, 2026

I. PURPOSE

The purpose of this document is to establish and organize investment policies, which will govern the investment activities of the City of Ukiah.

II. SCOPE

This investment policy covers all the City's surplus funds and investments (except retirement funds and bond proceeds) and investment activities under the direction of the City. Investment of bond proceeds will be governed by the provisions of relevant bond documents.

The investment policies of the City of Ukiah are based on state law and prudent money management practices. All funds will be invested in accordance with this Investment Policy and applicable California Government Codes, including § 53601 et seq.

III. OBJECTIVES

The primary objectives of the City, in order of priority, shall be:

- 1) **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
- 2) **Liquidity:** The investment portfolio of the City will remain sufficiently liquid to enable the City to meet its cash flow requirements.
- 3) **Yield:** The investment strategy of the City shall be to earn a reasonable investment return, considering current market conditions, and within the parameters set forth by priorities (1) and (2) above.

An adequate percentage of the portfolio shall be maintained in liquid, short-term securities that can be converted into cash if necessary to meet forecasted disbursement requirements. The portfolio shall also be appropriately diversified to avoid unreasonable and avoidable risks regarding specific security types or individual financial institutions.

IV. POLICIES

1. **Public Funds:** It is the policy of the City of Ukiah to invest public funds in a manner which will provide the maximum safety and liquidity, while earning an investment return consistent with the objectives and parameters set forth by this policy.

2. **Prudent Investor Standard:** Ukiah operates its investments program under the Prudent Investor Standard, which states that the governing body of the local agency or the persons authorized to make investment decisions on behalf of the local agency are trustees, and, therefore, subject to the Prudent Investor Standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.
3. **Management Responsibilities:** Management responsibility for the investment program is delegated, for a one-year period, subject to annual review and delegation, to the City Treasurer. The City Treasurer may further delegate day-to-day management of the investment program to a professional external investment advisor.
4. **Internal Controls:** A system of internal controls shall be established and documented in writing by the Finance Director. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City of Ukiah. Controls deemed most important include: minimization of opportunities for collusion, separation of duties, separation of transaction authority from accounting and recordkeeping, avoidance of bearer-form securities, specific limitations regarding securities losses and remedial actions, written confirmation of all transactions, minimizing the number of authorized investment officials, documentation of transactions and strategies, and proper review and approval of brokerage accounts and investment transactions.
5. **Safekeeping, Custody, and Delivery:** The City's investments shall be held in safekeeping, in the name of the City of Ukiah, by a third party custodian bank. Investment transactions shall be executed and settled using the "delivery vs. payment" method.
6. **Reporting:** The Finance Director shall review and have available monthly reports in the Finance Department, and available for public review, which shall include type of investment, issuer, purchase and maturity dates, rating, purchase price, par, current market value as of the date of the report and the source of this valuation, and yield to maturity. These reports shall include a list of all transactions during the past month.

The Investment Advisor will also deliver periodic market updates and portfolio reviews to the Finance Director. The Finance Director will deliver investment reports to the Investment Oversight Committee and City Council.

The Oversight Committee will meet at least once annually in order to conduct a comprehensive review of the investment activities of the City so as to ensure that regulations are being adhered to and that strategies are being followed.

7. **Conflict of Interest:** In accordance with California Government Code sections 1090, et seq. and 87100, et seq., officers and employees of the City will refrain from any activity that could conflict with the proper execution of the investment program or which could impair their ability to make impartial investment decisions. All investment personnel shall comply with the reporting requirements of the Political Reform Act, to include the annual filing of Statements of Economic Interest.
8. **Return on Investment:** The City's investment portfolio shall be designed to attain a market-average rate of return through economic cycles. The Investment Oversight Committee will measure the portfolio against an appropriate benchmark.
9. **Annual Review of Policy:** The Investment Advisor shall review the Investment Policy annually and provide the City Manager and Finance Director with recommendations if any are needed. The Finance Director will present the Policy, and any recommended changes, to the Investment Oversight Committee and City Council. City Council will review the Policy and recommended changes at a public meeting.

V. AUTHORIZED INVESTMENTS

Generally, investments shall be made in the context of the Prudent Investor Standard. The City is further governed by applicable California Government Codes, including sections 53600 and 53601 et seq. Within the context of these regulations, the following investments are authorized, and further limited herein:

- (a) **Ukiah Bonds:** Bonds issued by the City of Ukiah, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the City or by a department, board, agency, or authority of the City.
- (b) **U.S. Treasury Obligations:** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for payment of principal and interest.
- (c) **California State Obligations:** Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- (d) **Non-California State Obligations:** Registered treasury notes or bonds of any of the

other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States in addition to California.

- (e) **Local Agency Obligations:** Bonds, notes, warrants, or other certificates of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- (f) **Federal Agency or Government Sponsored Enterprise Obligations:** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by Federal Agencies or United States Government Sponsored Enterprises.
- (g) **Bankers' Acceptances:** Bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances may not exceed 180 days maturity or 40% of the portfolio, and no more than 5% of the portfolio may be invested in the banker's acceptance of any one commercial bank.
- (h) **Commercial Paper:** Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
 - (1) The entity meets the following criteria: (a) is organized and operating in the United States as a general corporation; (b) has total assets in excess of five hundred million dollars (\$500,000,000); and (c) has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.
 - (2) The entity meets the following criteria: (a) is organized within the United States as a special purpose corporation, trust, or limited liability company; (b) has program-wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond; and (c) has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of ~~270~~397 days. Purchases of commercial paper may not exceed 25% of the City's portfolio. No more than 5% of the portfolio may be invested in commercial paper of any one institution.

- (i) **Negotiable Certificates of Deposit:** Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank, a state or federal savings and loan association, or a federally-licensed or state-licensed branch of a foreign bank provided that the senior debt obligations of the issuing institution are rated in a rating

category of "A"(long-term) or its equivalent or better or A-1 (short-term) or its equivalent or better by an NRSRO. Purchases of negotiable certificates of deposit may not exceed 30% of the portfolio, and no more than 5% of the City's portfolio may be invested in any one financial institution.

- (j) **Repurchase Agreements:** The City may invest in repurchase agreements with banks and dealers with which the City has entered into a master repurchase agreement. The maturity of repurchase agreements shall not exceed 365 days. The market value of securities used as collateral for repurchase agreements shall be valued at 102% or greater of the funds borrowed against those securities at all times and shall be monitored daily by the investment staff. In order to conform with provisions of the Federal Bankruptcy Code, which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be direct obligations of the United States or any agency of the United States as described in §V of this policy.

In addition, the City may enter into repurchase agreements only with "primary dealers" as designated by the Federal Reserve Bank of New York. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank (delivery vs. payment) or be handled under a properly executed "tri-party" repurchase agreement. The market value must be recalculated each time there is a substitution of collateral. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

- (k) **Reverse Repurchase Agreements:** The City may invest in reverse repurchase agreements only with "primary dealers" with which the City has entered into a master repurchase agreement contract. The City may invest in reverse repurchase agreements with the following conditions:

Reverse repurchase agreements may be used only after prior approval of the City Council. The City may only use reverse repurchase agreements to (1) cover a temporary cash shortage, or (2) augment earnings. Reverse repos may not be used to leverage the portfolio. In addition:

If a reverse repurchase agreement is authorized, it may be utilized only if the security to be sold on a reverse repurchase agreement has been owned and fully paid for by the City for a minimum of 30 days prior to the sale; the total of all reverse repurchase agreements on investments owned by the City does not exceed 20% of the portfolio; and the agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of the security using a reverse repurchase agreement and the final maturity date of the same security. The proceeds of the reverse repurchase agreement may not be invested in securities whose maturity exceeds the term of the

reverse repurchase agreement.

- (l) **Medium-term Notes:** The City may invest in all corporate and depository institution debt securities with a maximum remaining maturity of five year or less, issued by corporations organized and operating within the United States, or by depository institutions licensed in the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of “A” or its equivalent or better by an NRSRO. Purchase of corporate notes may not exceed 30% of the portfolio, and no more than 5% of the corporate notes in the portfolio may be invested in the same corporation.
- (m) **Money Market Funds:** Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by California Government Code section 53601 subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive and that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment these companies shall either: (i) attain the highest ranking or highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations, or (ii) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). The purchase price of shares of beneficial interest purchased shall not include any commission that these companies may charge and shall not exceed 20% of the City’s portfolio.
- (n) **Local Agency Investment Fund:** The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies under §16429.1 of the Government Code. The maximum balance that can be held in the fund is the maximum amount permitted by LAIF’s Local Investment Advisory Board.
- (o) **Time Deposits:** The City may invest in non-negotiable time deposits that are FDIC insured or fully collateralized in financial institutions located in California, including U.S. branches of foreign banks licensed to do business in California. To be eligible to receive local agency deposits, a financial institution must receive a minimum overall “satisfactory rating” for meeting the credit needs of California Communities in its most recent evaluation. All time deposits must be collateralized in accordance with the California Government Code § 53650, et seq. Since time deposits are not liquid, no more than 25% of the cost value of the portfolio may be invested in this category.
- (p) **Mortgage-Backed and Asset-Backed Securities:** Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through

bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivision (b) or (f) of this Policy section, the following limitations apply: (1) the security shall be rated in a rating category of "AA" or equivalent or higher by an NRSRO and have a maximum remaining maturity of five years or less. (2) Purchase of securities authorized by this subdivision may not exceed 20% of the agency's surplus money that may be invested pursuant to this section.

- (q) **Local Government Investment Pools (LGIPs).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in California Government Code section 53601 subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and exchange Commission. (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive. (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
- (r) **Supranational Debt.** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30% of the portfolio.

Credit criteria listed in this section refers to the credit quality of the issuing organization at the time the security is purchased. The maturity limits are applied at the time of purchase. A security purchased in accordance with this Policy shall not have a forward settlement date exceeding 45 days from the time of investment.

VI. INELIGIBLE INVESTMENTS

The City may only invest in those obligations authorized by this policy. The City shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity. However, the City may hold prohibited investments until their maturity dates.

Notwithstanding the prohibition in the above paragraph, the City may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-

interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. The City may hold these instruments until their maturity dates. This paragraph shall remain in effect only until January 1, ~~2026~~2031, and as of that date is repealed.

For purposes of the investment of idle City funds, the City shall not purchase securities or other investment instruments by firms explicitly and directly involved with the extraction and/or refinement of fossil fuel products (defined as follows: Fossil fuels are non-renewable energy sources, including coal, oil, and natural gas, formed from ancient organic matter that is extracted from the Earth's crust and burned as fuel). Any investments currently held in the portfolio shall be sold when determined to be financially prudent to do so, negating any recognized or realized losses related to those specific investments.

VII. PORTFOLIO LIMITS AND DIVERSIFICATION

1. **Maximum Investment Maturity:** Unless otherwise noted within this investment policy, the City may not invest in a security with a maturity that exceeds five years from the date of purchase. For purposes of compliance with this Policy, an investment's term or remaining maturity shall be measured from the settlement date to final maturity. Investments which exceed five years in maturity require authority granted by City Council before purchase. Written authority of the City Council must be granted specifically or as part of an investment program no less than three months prior to the date of purchase.
2. **Maximum Weighted Average Maturity:** The maximum weighted average maturity of the City's investment portfolio shall not exceed 3 years to control overall exposure to interest rate risk.
3. **Diversification:** With the exception of obligations of the United States Government and its Agencies and authorized investment pools, no more than 10% of the portfolio may be invested in the securities of any single issuer, regardless of sector. For certain investment types, a 5% issuer limit is imposed and is stated in the investment description in the Authorized Investment section.

Adopted on the ~~21th~~xxth day of May ~~2025~~2026 by the Ukiah City Council.

Signed:

Attest:

~~Douglas Crane~~Susan Sher, Mayor
Clerk

Kristine Lawler, City



April 23, 2026

Memorandum

To: Dan Buffalo, Finance Director
Members of the Investment Oversight Committee
City of Ukiah

From: Monique Spyke, Managing Director
Allison Kaune, Relationship Manager
PFM Asset Management

RE: 2026 Investment Policy Review

As part of your annual review process, PFM Asset Management, a division of U.S. Bancorp Asset Management Inc., has completed its review of the City of Ukiah's Investment Policy (the "Policy"). The Policy remains in compliance with the statutes of California Government Code (the "Code") that regulate the investment of public funds for local agencies.

Effective, January 1, 2026, after the passage of Senate Bills ("SB") 827, 852, SB 595 and 858, several changes were made to California Government Code, impacting or related to the investment of public funds. Below we summarize the Code changes, by Senate Bill, and subsequent Policy recommendations, as appropriate.

SB 595 and 858 amended Code Section 53601, which governs the investment of public funds by local agencies, with the updates below.

- The maximum maturity for eligible commercial paper was extended from 270 days to 397 days. We have redlined this update into the City's revised draft Policy for consideration.
- In periods of low interest rates, law had authorized local agencies to invest in U.S. government securities that could result in zero-interest accrual if held to maturity until January 1, 2026. This provision was extended to January 1, 2031. The City's Policy references the sunset date in Policy section VI. Ineligible Investment, and we have redlined this update into the City's revised draft Policy.
- Local agencies with at least \$100 million in investment assets are permitted to invest a maximum of 40% of its money in commercial paper. This provision was set to expire and revert to a maximum of 25% on January 1, 2026, but was extended to January 1, 2031. The City does not meet the \$100 million minimum threshold and the maximum allowed in commercial paper per Code and the Policy is 25%. No changes are needed to the City's Policy to address this Code change.

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SB 827 revised Code Section 53238 et seq and is intended to enhance training requirements for certain local agency officials, including additional fiscal and financial training. The City's Investment Policy does not address training requirements and so no change is necessary to the Investment Policy. However, we recommend that you review the new training requirements.

SB 852 is intended to strengthen transparency and ethics rules of the Political Reform Act by adding public officials who manage public investments to the list of individuals for whom the Fair Political Practices Commission ("Commission") is the filing officer for statements of economic interest and requires those officials to file using the Commission's electronic filing system. The City's Policy does not address those who qualify as a filing officer and no change is necessary to the Investment Policy. However, we recommend that you review the Code change with your legal counsel, as needed, to understand if any changes need to be made to the City's filing procedures.

Please let us know if you have any questions. Thank you.



AGENDA SUMMARY REPORT

SUBJECT: Receive Updates on City Council Committee and Ad Hoc Assignments, and, if Necessary, Consider Modifications to Assignments and/or the Creation/Elimination of Ad Hoc(s).

DEPARTMENT: City Clerk

PREPARED BY: Kristine Lawler, City Clerk

PRESENTER: Mayor Sher and Various Councilmembers

ATTACHMENTS:

1. 2026 City Council Special Assignments & Ad Hocs

Summary: City Council members will provide reports and updates on their committee and ad hoc assignments. If necessary, the Council may consider modifications.

Background: City Council members are assigned to a number of committees and ad hoc activities. These assignments are included as Attachment 1.

Discussion: Previously, the City Council discussed having more time allocated to reporting on committee and ad hoc activities. Often, the Council Reports section of the regular agenda is rushed due to impending business (i.e., public hearings), and not enough time is afforded for reports beyond community activities.

In an effort to foster regular updates on committee and ad hoc assignments, this item is being placed on the agenda to provide the City Council members an expanded opportunity to report on assignments and modify assignments as necessary.

Recommended Action: Receive report(s). The Council will consider modifications to committee and ad hoc assignments along with the creation/elimination ad hoc(s).

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

REVENUE: No **GRANT:** No

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: N/A

STRATEGIC PLAN (SP): N/A

GENERAL PLAN ELEMENTS (GP): N/A

Approved: 
Sage Sangiacomo, City Manager

LOCAL / UKIAH VALLEY							MTG DATE/TIME	MEETING LOCATION	MAILING ADDRESS/CONTACT	COMMITTEE FUNCTION	ASSIGNED TO	PRINCIPAL STAFF SUPPORT
Investment Oversight Committee							Varies	Civic Center 300 Seminary Ave. Ukiah, CA 95482	Civic Center 300 Seminary Ave. Ukiah, CA 95482	Reviews City investments, policies, and strategies	Crane Orozco - Alternate Alan Carter, Treasurer	Dan Buffalo, Director of Finance; 463-6220 dbuffalo@cityofukiah.com
Disaster Council							Shall meet a minimum of once a year at a time and place designated upon call of the chair	Place designated upon call of the chair or, if she/he is unavailable or unable to call such meeting, the first vice chair and then the City Manager or her/his designee.	Office of Emergency Management 300 Seminary Ave. Ukiah, CA 95482 467-5720 - Traci Boyl	Develop any necessary emergency and mutual aid plans, agreements, ordinances, resolutions, rules, and regulations.	Orozco Criss - Alternate	Traci Boyl, City Manager's Office Management Analyst; 467-5720; tboyl@cityofukiah.com
Greater Ukiah Business & Tourism Alliance (GUPTA)							4th Monday of month, 10 a.m.	200 S School St. Ukiah, CA 95482	200 S School St. Ukiah, CA 95482	Promotes tourism and works to strengthen and promote the historic downtown and businesses within the greater Ukiah area	Marianne Davison - Community Services Department Staff Orozco - Alternate	Shannon Riley, Deputy City Manager; 467-5793 sriley@cityofukiah.com
Mendocino County Inland Water and Power Commission (IWPC)							2nd Thursday of month, 6:00 p.m.	Civic Center 300 Seminary Avenue conference room 5	IWPC Staff P.O. Box 1247 Ukiah, CA 95482 391-7574 - Candace Horsley	Develops coordination for water resources and current water rights: Potter Valley project - Eel River Diversion	Rodin Orozco - Alternate	Jared Walker, Director of Water Resources; 467-5712, jawalker@cityofukiah.com
North Coast Opportunities (NCO)							4th Wednesday of month, 2 p.m.	Alternating locations - Ukiah and Lakeport	Governing Board Chair North Coast Opportunities 413 North State Street Ukiah, CA 95482	Assist low income and disadvantaged people to become self reliant	Neil Davis	Neil Davis, City Representative 467-5764 ndavis@cityofukiah.com
Sun House Guild ex officio							2nd Tuesday of month, 10:30 a.m.	Sun House 431 S. Main St. Ukiah, CA	431 S. Main Street Ukiah, CA 95482 467-2836	Support and expand Grace Hudson Museum	Orozco, Sher Jake Burgess - Alternate	David Burton, Museum Director; 467-2836 dburton@cityofukiah.com
Ukiah Men's Golf Club Liaison							1st Tuesday of month, 4 - 5 pm	Golf Course Clubhouse 599 Park Blvd.	Golf Course Clubhouse 599 Park Blvd umgc@yahoo.com	An association of male golfers who promote and support golf in Ukiah.	Jake Burgess	Jake Burgess, Community Services Director; 463-6201, jburgess@cityofukiah.com
Ukiah Valley Basin Groundwater Sustainability Agency (GSA)							2nd Thursday of month, 1:30 p.m.	Board of Supervisors Chambers; 501 Low Gap Road Ukiah, CA	County Executive Office 501 Low Gap Rd., Rm. 1010 Ukiah, CA 95482 463-4441	GSA serves as the Groundwater Sustainability Agency in the Ukiah Valley basin	Crane N/A - Alternate	Jared Walker, Director of Water Resources; 467-5712, jawalker@cityofukiah.com
MENDOCINO COUNTY							MTG DATE/TIME	MEETING LOCATION	MAILING ADDRESS/CONTACT	COMMITTEE FUNCTION	ASSIGNED TO	PRINCIPAL STAFF SUPPORT
City Selection Committee							Called as required by the Clerk of the Board	BOS Conference Room 501 Low Gap Rd. Rm. 1090 Ukiah, CA	C/O: BOS 501 Low Gap Rd., Rm 1090 Ukiah, CA 95482 463-4441	Makes appointments to LAFCO and Airport Land Use Commission (Mayor - Primary; Vice Mayor - Alternate)	Mayor Sher Vice Mayor Orozco	Kristine Lawler, City Clerk; 463-6217 klawler@cityofukiah.com
Economic Development & Financing Corporation (EDFC)							2nd Thursday of month, 2:00 p.m.	Primarily 631 S. Orchard Street (location varies)	Executive Director 631 South Orchard Avenue Ukiah, CA 95482 467-5953	Multi-agency co-op for economic development and business loan program	Riley (appointed 12/19/18)	Shannon Riley, Deputy City Manager; 467-5793 sriley@cityofukiah.com
Library Advisory Board							3rd Wednesdays of alternate months; 1:00 p.m.	Various Mendocino County Libraries	Ukiah County Library 463-4491	Review library policy and activities	Sher Rodin - Alternate	Kristine Lawler, City Clerk; 463-6217; klawler@cityofukiah.com
Mendocino County 1st District Liaison							Monthly; TBD	Civic Center Annex conference room #5 411 West Clay St. Ukiah, CA 95482	Civic Center 300 Seminary Ave. Ukiah, CA 95482	To coordinate activities and policy development with the City's 1st District Supervisor	Crane Rodin - Alternate	Sage Sangiacomo, City Manager; 463-6221; ssangiacomo@cityofukiah.com
Mendocino County 2nd District Liaison							1st Wednesdays of month, 8:00 a.m.	Civic Center Annex conference room #5 411 West Clay St. Ukiah, CA 95482	Civic Center 300 Seminary Ave. Ukiah, CA 95482	To coordinate activities and policy development with the County's 2nd District Supervisor	Criss Rodin - Alternate	Shannon Riley, Deputy City Manager; 467-5793 sriley@cityofukiah.com
Mendocino Council of Governments (MCOG)							1st Monday of month, 1:30 p.m.	Board of Supervisors Chambers 501 Low Gap Road Ukiah, CA	Executive Director 367 N. State Street, Ste. 206 Ukiah, CA 95482 463-1859	Plan and allocate State funding, transportation, infrastructure and project County wide	Criss Sher - Alternate	Tim Eriksen, Public Works Director/City Engineer; 463-6280 teriksen@cityofukiah.com Craig Schlatter, Community Development Director; 463-6219; cschlatter@cityofukiah.com
Mendocino County Airport Land Use Commission							As needed	BOS Conference Room 501 Low Gap Rd., Rm. 1090, Ukiah, CA	Mendocino County Executive Office 501 Low Gap Rd. Rm. 1010 Ukiah, CA 95482	To formulate a land use compatibility plan, provide for the orderly growth of the airport and the surrounding area, and safeguard the general welfare of the inhabitants within the vicinity	Liaisons: Owen/Schlatter	Greg Owen, Airport Manager; 467-2855; gowen@cityofukiah.com Craig Schlatter, Director of Community Development; 463-6219; cschlatter@cityofukiah.com
Mendocino Local Area Formation Commission (LAFCo)							1st Monday of month, 9:00 a.m.	Board of Supervisors Chambers	Executive Director 200 S. School Street, Ste. 2 Ukiah, CA 95482 463-4470	Required by legislation - planning spheres of influence, annexation, service areas, and special districts	Rodin Crane - Alternate for both city seat members on Commission	Craig Schlatter, Director of Community Development; 463-6219; cschlatter@cityofukiah.com

Mendocino County Continued	MTG DATE/TIME	MEETING	LOCATION	MAILING ADDRESS/CONTACT	COMMITTEE FUNCTION	ASSIGNED TO	PRINCIPAL STAFF SUPPORT
Mendocino Solid Waste Management Authority (MSWMA)	3rd Thursday of every other month (varies), 10:00 a.m.	Willits Council Chambers		Solid Waste Director 3200 Taylor Drive Ukiah, CA 95482 468-9710	County-wide Solid Waste JPA	Crane Sher - Alternate	Tim Eriksen, Public Works Director/City Engineer; 463-6280 teriksen@cityofukiah.com
Mendocino Transit Authority (MTA) Board of Directors	Last Wednesday of month, 1:30 p.m.	Alternating locations - Ukiah Conference Center or Fort Bragg, or Point Arena		Executive Director 241 Plant Road Ukiah, CA 95482 462-1422	County-wide bus transportation issues and funding	Sher Rodin - Alternate	Tim Eriksen, Public Works Director/City Engineer; 463-6280 teriksen@cityofukiah.com
Mendocino Youth Project JPA Board of Directors	3rd Wednesday of month, 7:45 a.m.	776 S. State Street Conference Room		Mendocino Co. Youth Project 776 S. State Street, Ste. 107 Ukiah, CA 95482 707-463-4915	Targets all youth with a focus on drug and alcohol prevention, healthy alternatives and empowering youth to make healthy choices	Criss Max Brazill, Admin Lieutenant - Alternate	Tom Corning, Police Chief; 463-6254; tcorning@cityofukiah.com
Russian River Flood Control District (RRFCD) Liaison	1st Monday of month, 5:30 p.m.	151 Laws Ave., Suite D Ukiah, CA		151 Laws Ave., Ukiah, CA 95482; rrfc@pacific.net; 462-5278	Proactively manage the water resources of the upper Russian River for the benefit of the people and environment of Mendocino County	Walker/Orozco	Jared Walker, Director of Water Resources; 467-5712, jawalker@cityofukiah.com
Ukiah Players Theater Board of Directors	3rd Tuesday of month, 6:00 p.m	1041 Low Gap Rd Ukiah, CA 95482 462-1210		1041 Low Gap Rd Ukiah, CA 95482 462-1210	To oversee the activities, organization and purpose of the Ukiah Players Theater	Greg Owen, Airport Manager (appointed 12/19/18)	Kristine Lawler, City Clerk; 463-6217 klawler@cityofukiah.com
Ukiah Unified School District (UUSD) Committee	Quarterly	511 S. Orchard, Ste. D Ukiah, CA 95482		511 S. Orchard Ukiah, CA 95482	Information exchange with UUSD Board Chair, Mayor, Superintendent, and City Manager	Orozco, Criss Sage Sangiacomo, City Manager Tom Corning, Police Chief	Sage Sangiacomo, City Manager; 463-6221 ssangiacomo@cityofukiah.com
REGIONAL	MTG DATE/TIME	LOCATION		MAILING ADDRESS/CONTACT	COMMITTEE FUNCTION	ASSIGNED TO	PRINCIPAL STAFF SUPPORT
Great Redwood Trail Agency (GRTA)	Bi-monthly, 3rd Thursdays, 10:30 a.m.	Various Locations - announced		419 Talmage Road, Suite M Ukiah, CA 95482 463-3280	Provides a unified and revitalized rail infrastructure meeting the freight and passenger needs of the region	Rodin Sher- Alternate	Jake Burgess, Community Services Director 463-6201, jburgess@cityofukiah.com
League of California Cities Redwood Empire Legislative Committee	Prior to Division Meetings, meets 3x in person and then via conference call	Various locations that are announced		Redwood Empire League President; Public Affairs Program Manager (916) 658-8243	Elected city officials and professional city staff attend division meetings throughout the year to share what they are doing and advocate for their interests in Sacramento	Orozco Criss - Alternate	Sage Sangiacomo, City Manager; 463-6221 ssangiacomo@cityofukiah.com
Russian River Watershed Association (RRWA)	4th Thursday of month, 9:00 a.m. (only 5 times a year)	Windsor Town Hall 9291 Old Redwood Hwy, #400 Windsor, CA 95492 707-838-1000		Russian River Watershed Association 2235 Mercury Way, Suite 105 Santa Rose, CA 95407 info@rrwatershed.org 707-508-3670 (message only)	Consider issues related to Russian river - plans projects and funding requests	Rodin Sher - Alternate	Tim Eriksen, Public Works Director/City Engineer; 463-6280 teriksen@cityofukiah.com
Northern California Power Agency (NCPA) - Commission	4th Thursday of month, 9:00 a.m. (see NCPA calendar)	Roseville, CA and other locations		651 Commerce Drive Roseville, CA 95678 916-781-4202	Pool of State and local power utilities developing and operating power generation, providing scheduling and related energy services and providing regulatory and legislative support.	Crane - Commissioner Sher - City Council Alternate Sauers - Alternate and Commissioner in absence of Commissioner Crane	Cindy Sauers - Electric Utility Director; 463-6286 csauers@cityofukiah.com
Northern California Power Agency (NCPA) – Lodi Energy Center (LEC) Appointment	2nd Monday of month, 10:00 AM	Lodi, CA and other locations		651 Commerce Drive Roseville, CA 95678 916-781-4299	Committee oversees the operation, maintenance and expenditures of the LEC 300 MW generating project.	Sauers – Project Participate Appointee	Cindy Sauers, Electric Utility Director, 463-6286, csauers@cityofukiah.com
Transmission Agency of Northern California (TANC)	4th Wednesday of month, 10 a.m.	35 Iron Point Circle Suite 225 Folsom, CA		35 Iron Point Cir #225 Folsom, CA 95630 916-852-1673; info@tanc.us	Provide electric transmission to its Member utilities through transmission line ownership or contract arrangements.	Crane Sauers - Alternate	Cindy Sauers - Electric Utility Director; 463-6286 csauers@cityofukiah.com C
STANDING COMMITTEES	MTG DATE/TIME	LOCATION		MAILING ADDRESS/CONTACT	COMMITTEE FUNCTION	ASSIGNED TO	PRINCIPAL STAFF SUPPORT
Diversity and Equity	TBD	Virtual Meeting Room (link to be created)		Civic Center 300 Seminary Ave. Ukiah, CA 95482	Improve diversity and equity in the City's workforce and municipal services	Orozco/Criss	Traci Boyl, City Manager's Office Management Analyst; 467-5720; tboyl@cityofukiah.com
Fire Executive Committee	2nd Tue, every other month beginning in January; 5:00 p.m.	Ukiah Valley Conference Center, 200 S. School Street Ukiah, CA		Civic Center 300 Seminary Ave. Ukiah, CA 95482 sabba@cityofukiah.com	Per the recently adopted agreement between the City of Ukiah and the Ukiah Valley Fire Protection District	Orozco/Sher Alternates: Criss	Doug Hutchison, Fire Chief; 463-6263; dhutchison@cityofukiah.com
Countywide Oversight Board to the RDA Successor Agencies	4th Thursday of January, 4:00 p.m.; meets annually	Ukiah Valley Conference Center, 200 S. School Street Ukiah, CA		City of Ukiah ATTN: City Clerk 300 Seminary Ave. Ukiah, CA 95482	Oversee and direct the Successor Agencies of the former redevelopment agencies	Crane	Dan Buffalo, Director of Finance; 463-6220 dbuffalo@cityofukiah.com Kristine Lawler, City Clerk; 463-6217, klawler@cityofukiah.com
Water Executive Committee (Ukiah Valley Water Authority)	1st Tue of each month at 5:00 p.m.	Ukiah Valley Conference Center, 200 S. School Street Ukiah, CA		City of Ukiah ATTN: Water Resources 300 Seminary Ave. Ukiah, CA 95482	Oversight of UVWA; set annual budget for the combined water system; Manage rates and collect levies; modify existing water rights for the provision of water service; mediation and dispute resolution;	Crane/Orozco	Jared Walker, Director of Water Resources; 467-5712, jawalker@cityofukiah.com

2026 AD HOC COMMITTEES		
COMMITTEE	ASSIGNED TO	PRINCIPAL STAFF SUPPORT
Electric Grid Operational Improvements	Crane/Orozco	Cindy Sauers, Electric Utility Director; 463-6286 csauers@cityofukiah.com
Advance Planning & Policy for Annexation Applications	Crane/Rodin	Craig Schlatter, Community Development Director 463-6219 cschlatter@cityofukiah.com
UVSD/ City Relations <i>Ad hoc committee to address specific issues with the Ukiah Valley Sanitation District, including discussion of overall sewer system service delivery policies, operating policy revisions, potential revisions to the current Operating Agreement, and cost sharing</i>	Crane/Orozco	Dan Buffalo, Director of Finance; 463-6220 dbuffalo@cityofukiah.com Jared Walker, Water Resources Director 467-5712, jawalker@cityofukiah.com
Complete Streets	Rodin/Crane	Tim Eriksen, Public Works Director/City Engineer; 463-6280 teriksen@cityofukiah.com Shannon Riley, Deputy City Manager 467-5793 sriley@cityofukiah.com Jake Burgess, Community Services Director 463-6201 jburgess@cityofukiah.com
Special Districts (Water District Consolidation)	Orozco/Crane	Shannon Riley, Deputy City Manager 467-5793 sriley@cityofukiah.com
Corp Yard Planning	Crane/Orozco	Jason Benson, Senior Civil Engineer 463-6284 jbenson@cityofukiah.com
Mendocino County Courthouse Project and Reuse	Sher/Orozco	Shannon Riley, Deputy City Manager 467-5793 sriley@cityofukiah.com
City's 150-Year Anniversary Planning	Orozco/Rodin	Shannon Riley, Deputy City Manager 467-5793 sriley@cityofukiah.com
Airport Policy	Criss/Crane	Craig Schlatter, Community Development Director 463-6219 cschlatter@cityofukiah.com
Parks & Recreation Special District Exploration	Rodin/Orozco	Jake Burgess, Community Services Director 463-6201 jburgess@cityofukiah.com
Downtown Zoning Code	Crane/Rodin	Jesse Davis, Chief Planning Manager 463-6207, jdavis@cityofukiah.com
Tourism Advisory Committee	Rodin/Sher	Shannon Riley, Deputy City Manager 467-5793 sriley@cityofukiah.com
Historic Preservation Code	Sher/Criss	Craig Schlatter, Community Development Director 463-6219 cschlatter@cityofukiah.com
Fire Severity	Rodin/Orozco	Craig Schlatter, Community Development Director 463-6219 cschlatter@cityofukiah.com
CalPERS	Crane/Orozco	Dan Buffalo, Director of Finance; 463-6220 dbuffalo@cityofukiah.com
City Council Handbook Review and Update	Sher	Kristine Lawler, City Clerk 463-6217; klawler@cityofukiah.com
Energy Resilience	Sher/Orozco	Cindy Sauers, Electric Utility Director; 463-6286 csauers@cityofukiah.com

*Note: Changing the composition of an existing ad-hoc among current councilmembers after work has begun presents potential Brown Act issues. Requests for fully filled ad-hocs are represented on the draft, but staff does not recommend changes except to fill vacated assignments. The current requests on the sheet for fully composed ad-hocs are primarily intended to convey interest in topics covered by these ad-hoc committees for possible future consideration of new assignments.