

Quality of Life Community Update





RULES OF DECORUM

- No idea is a bad idea
- Be civil
- Respect others' opinions
- Stay focused on the subject
- Let the presenter or others have the opportunity to speak
- Refrain from speaking over others
- Purpose is not to win, but to convey your thoughts

BACKGROUND - UPLAND'S ECONOMIC SITUATION

- The City has a \$68M General Fund Budget
- Under the current City Council strong fiscal stewardship of public funds has been achieved
- The City adopted a balanced budget, however there is a structural deficit of \$5.7M (FY 27) and \$6.1M (FY 28)
- One-time fixes and \$8.5 million from reserves - which are from the City's rainy-day funds (Economic Uncertainty Fund) - will be used in the next two years
- The City has \$241 million in unfunded infrastructure liability for its streets and sidewalks
- Without additional local funding, the City would need to make \$5 million in future cuts to essential local services





QUALITY OF LIFE

BACKGROUND - CITY SALES TAX REVENUE BREAKDOWN



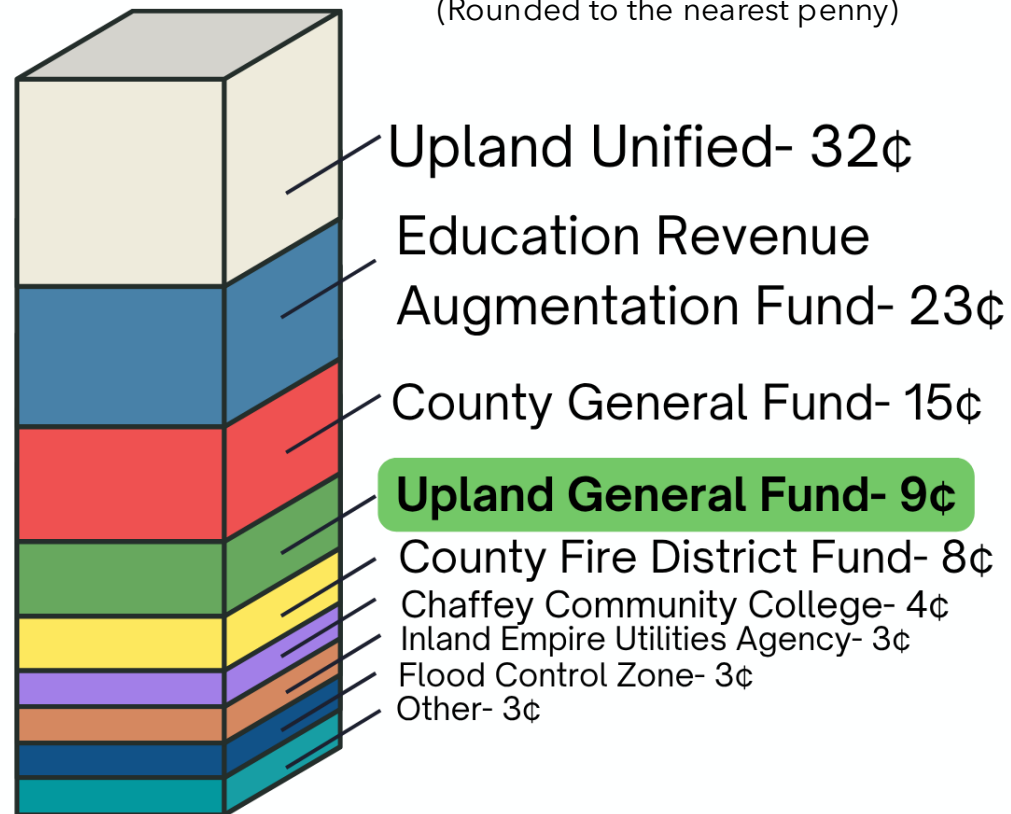
*County share composed of 1.56% Local Revenue Funds to support local criminal justice, health and social service programs, 0.25 Local Transportation Fund, and 0.5% for Prop172 Public Safety Fund from which Upland receives an apportionment.

- The City receives only 1 cent for every \$1 dollar of taxable sales

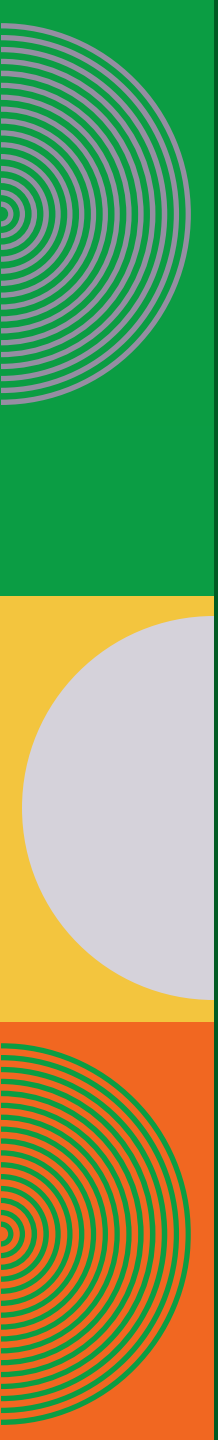
BACKGROUND - CITY PROPERTY TAX REVENUE BREAKDOWN

PROPERTY TAX BREAKDOWN PER \$1

(Rounded to the nearest penny)



On a \$4,000 annual property tax bill, \$360 remains in Upland to fund City Services.



COST-SAVING ACTIONS & EFFICIENCIES

COST-SAVING ACTIONS & EFFICIENCIES

City Services Outsourced:

- 2014 - Library
- 2015 - Business Licensing
- 2016 - Animal Shelter
- 2017 - Fire Department
- 2021 - Weed Abatement Program



COST-SAVING ACTIONS & EFFICIENCIES

Major Services and Staffing Cuts:

- Police Department staffing has remained flat
- Reduced Library hours
- Reduced Senior Center hours
- After-School Program terminated
- Tiny Tots Program terminated
- Aquatics Program terminated
- Several executive staff positions downgraded
 - *Finance Director to Deputy Director of Finance*
 - *Human Resources Director to Deputy Director of HR/Risk Management*
 - *Community Services Director to Community Services Manager*

COST-SAVING ACTIONS & EFFICIENCIES

Efficiency Example: Comparative Analysis Upland Police Department Officers per 1,000 Residents

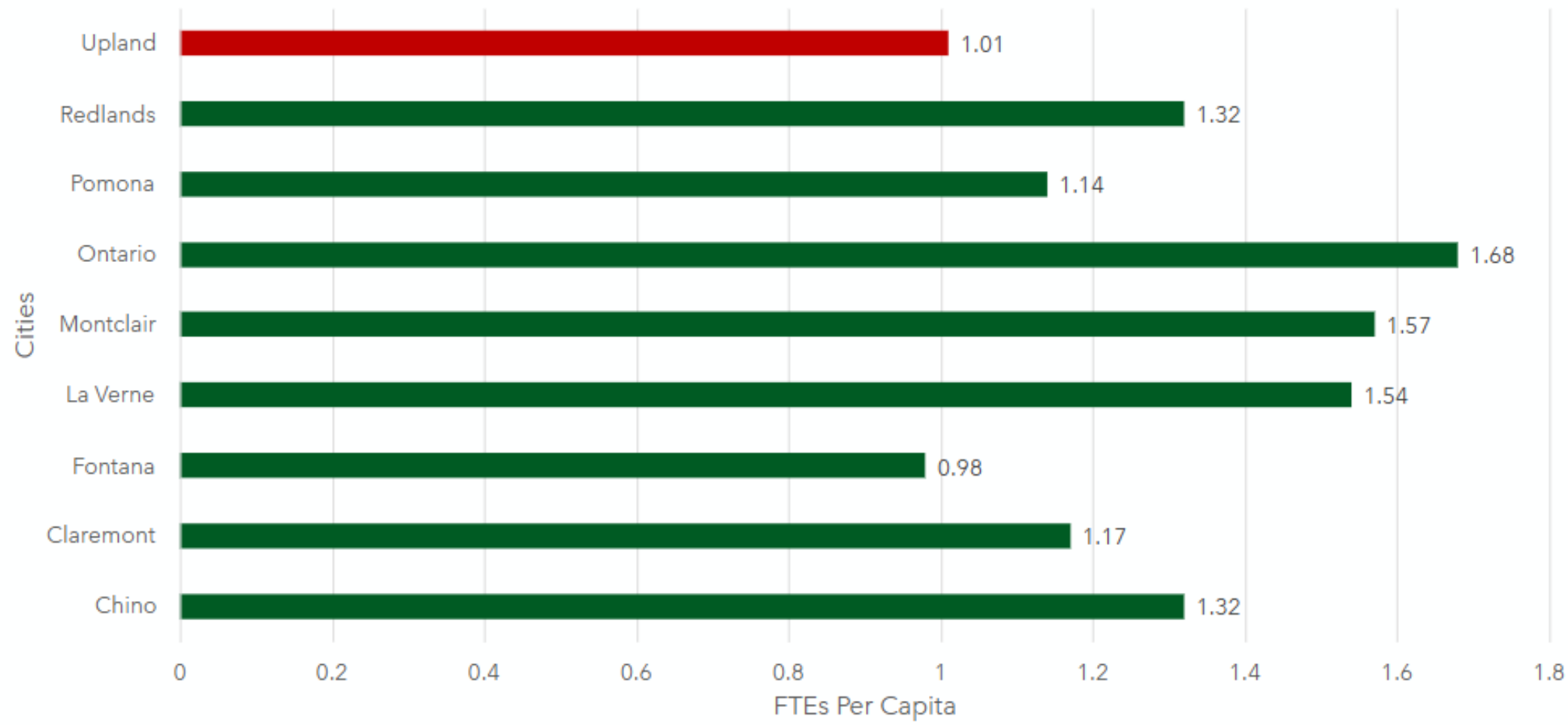
CITY	POPULATION	BUDGETED SWORN	BUDGETED SWORN PER 1,000
Chino	96,957	128	1.32
Claremont	35,838	42	1.17
Fontana	221,223	217	0.98
La Verne	30,178	45	1.54
Montclair	37,563	59	1.57
Ontario	187,013	314	1.68
Pomona	147,807	169	1.14
Redlands	74,128	98	1.32
AVERAGES		134	1.34
Upland	79,446	80	1.01

Source: Federal Bureau of Investigation

COST-SAVING ACTIONS & EFFICIENCIES

Efficiency Example: Upland Police Dept Officers Comparison

Budgeted Sworn per 1,000 Residents



Source: Federal Bureau of Investigation

COST-SAVING ACTIONS & EFFICIENCIES

Comparative Analysis Findings:

- The average Sworn Police Full-Time employees (FTEs) per 1,000 residents for Survey Cities is approx. 1.34 FTEs
- The average for California cities is 2.3 FTEs
- The national average is 2.4 FTEs
- Upland is at 1.01 FTEs
- Upland is 25% below the regional average
- Would need to add 26 FTEs to be at regional avg.
- Upland is 56% below the California city average

COST-SAVING ACTIONS & EFFICIENCIES

Efficiency Example: Comparative Analysis Upland Public Works Department Employees per 1,000 Residents

A regional comparison was conducted using cities and special districts with:

- Similar population size (~79,000)
- In-house Public Works and/or Utilities services
- Local/regional proximity
- A few larger cities included for benchmarking range

Average Utilities: 0.85 FTEs

Upland Utilities: 0.46 FTEs

46% below average → Shortfall of 31 FTEs

Average PW: 1.35 FTEs

Upland PW: 0.51 FTEs

62% below average → Shortfall of 67 FTEs

Combined Estimated Staffing Shortfall: 98 FTEs

RECENT EFFICIENCIES, IMPROVEMENTS & COST SAVINGS

- New Landscaping Contracts
- New *UplandConnect* App
- More Online and Automated Services
 - *Ex: Building Permits, Dog License Renewals, Yard Sale Permits*
- No Longer Absorbing Credit Card User Fees
- Police Department Handheld Radio Upgrade
- Police Department Drone as First Responder Program



SECURING OUTSIDE RESOURCES

Year	Funding	Source	Project
2022	\$585,000	County	Improvements to Magnolia Park, Greenbelt Park and Magnolia Recreation Center
2022	\$357,288	County	Technology and Infrastructure Improvements (Finance & permitting software cloud migration, UAV drones & crime scene investigation scanner for PD, backup datacenter generator)
2023	\$1,000,000	County	Baldy View Dog Park
2023	\$500,000	County	Downtown Cameras
2023	\$1,750,000	Federal	Downtown Upland Main Street Economic Recovery and Revitalization Project
2024	\$500,000	County	Police Department Locker Room
2024	\$4,000,000	County	Foothill Blvd. Rehabilitation and Water Improvement Project
2024	\$350,000	County	Economic Development and Inflation Reduction Project (Parking Structure)
2025	\$850,000	Federal	Metrolink Station
2025	\$783,944	County	130 N70 Motorola handheld radios
2026	\$1,092,000	Federal	Campus Ave Storm Drain Improvement
2026	\$1,031,000	Federal	Computer Aided Dispatch/Records Management System Upgrade
2026	\$581,533	Federal	Emergency Operations Center Retrofit Project
2026	\$1,200,000	State	*Bodenhamer Neighborhood Park and Cabrillo Park Renovations
2026	\$1,000,000	State	*Mobile Command Center and Alternative Emergency Operations Center Project
2026	\$1,525,000	State	*Upland Public Library Modernization
	\$17,605,765		<i>*awaiting Governor's signature</i>



Average annual funding secured from resources outside the City,

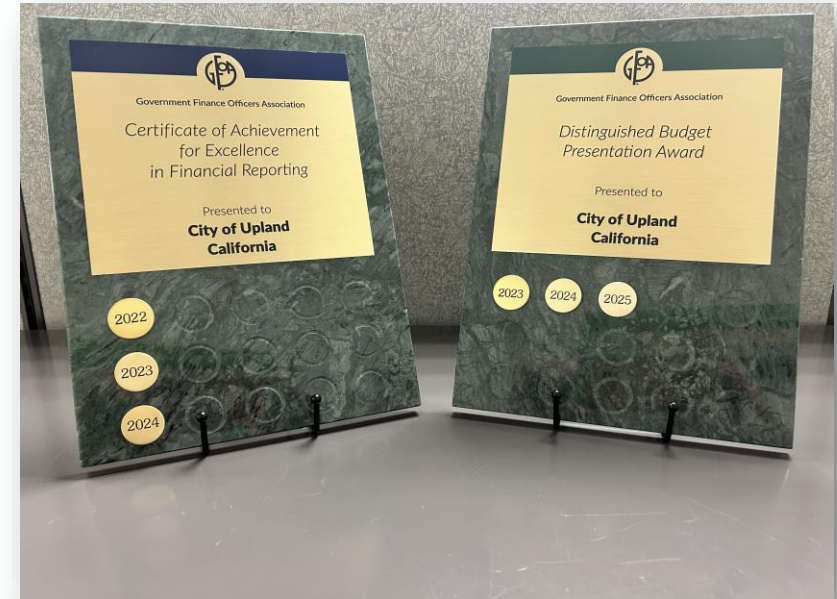
\$3,521,000

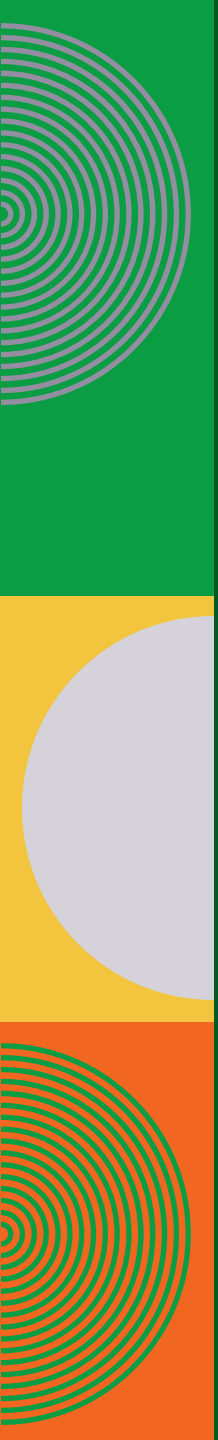
per year

over the past 5 years

FINANCIAL TRANSPARENCY

- **20+ years of national recognition** from the Government Finance Officers Association for
 - Excellence in Financial Reporting Award
 - Distinguished Budget Presentation Award (19 yrs.)
- **Consistently recognized for excellence in treasury management** by the California Municipal Treasurers Association.
- **Independent audits from 2021-2025 found no material weaknesses in internal controls and no reportable noncompliance.** Simply put: our financial practices are independently tested year after year.
- **A two-year budget, adopted in 2024, provides greater transparency and a longer-term view** of City services, projects and costs.





MAINTAINING UPLAND'S QUALITY OF LIFE

INFRASTRUCTURE

The City maintains:

- 229 miles of Streets & Alleys
- 343 miles of Sidewalks
- 13 Parks and Playfields
- 29,997 City Trees
- 227 Acres of Landscaping

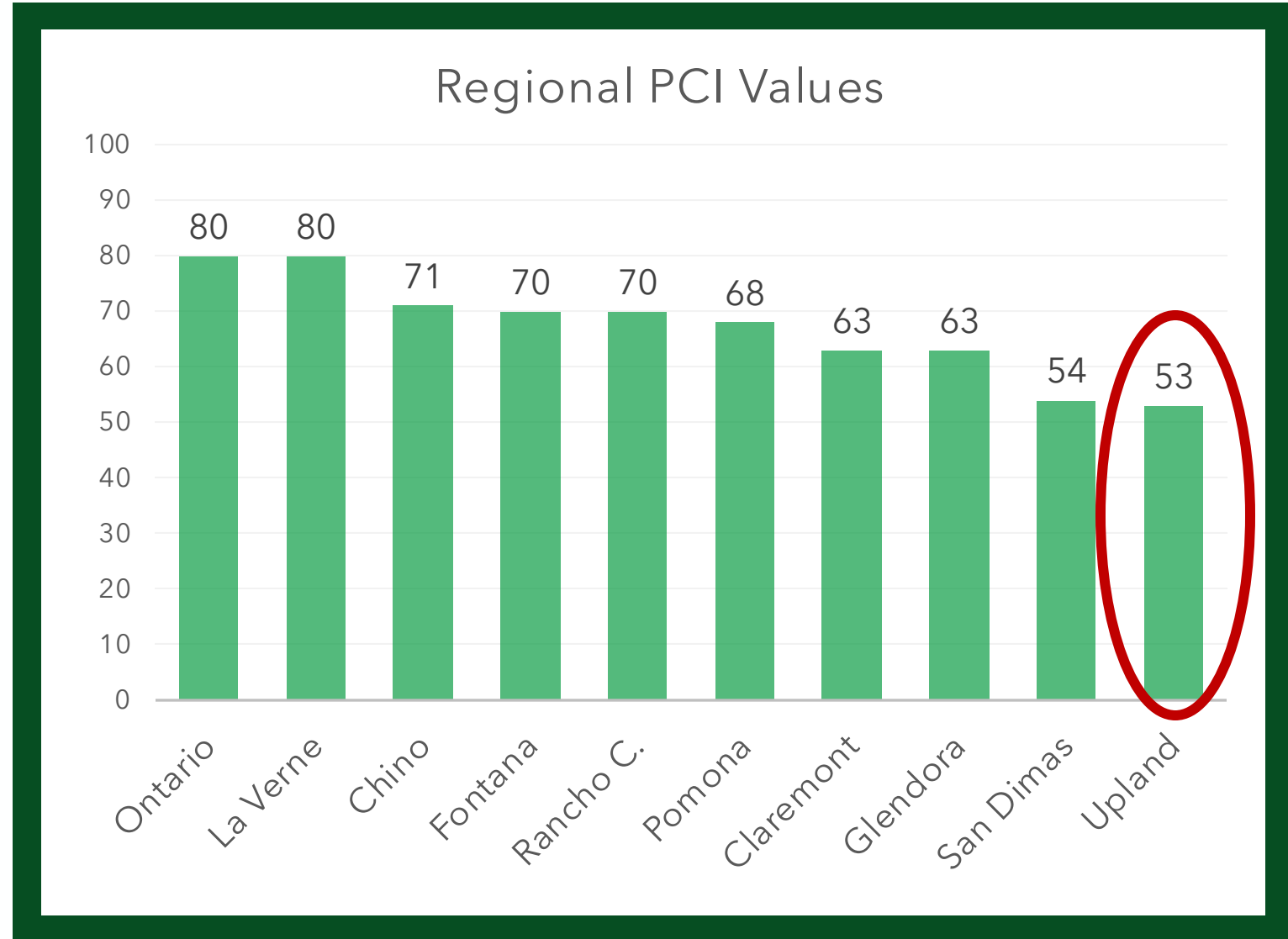


Keeping our streets, infrastructure, and parks in good condition are vital to maintaining the community's quality-of-life, and the City needs additional local funding to do so.

THE PAVEMENT MANAGEMENT REPORT

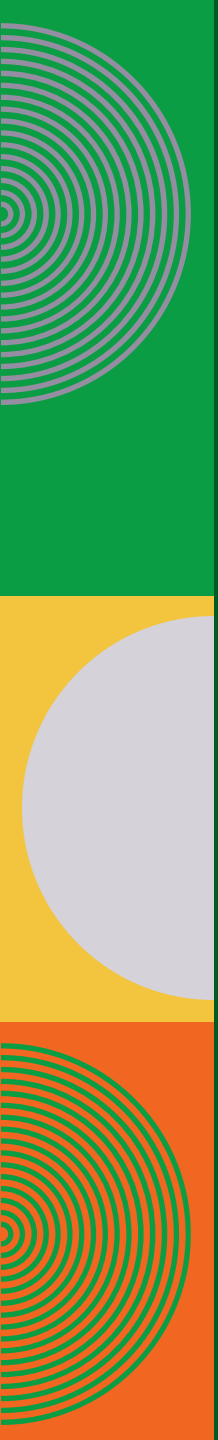
Upland's PCI is 53.

- Regional Avg is 69
- Lowest in the Region
- **Target PCI: 76-80**



THE PAVEMENT MANAGEMENT REPORT

- To better understand conditions and prioritize investments, the City's pavement network was evaluated using the Pavement Condition Index (PCI), an industry-standard rating system
- A PCI Score of 70 is considered good
- As of 2026, Upland's PCI score is **52**, the lowest in the entire region
- The City with the next closest PCI is San Bernardino, with a score of 51
- Funding to Achieve PCI of 70 in 5 years is \$28.1M annually (current funding is \$6.8M annually)
- The full report is available online



PROJECT UPDATES



FOOTHILL BLVD. PROGRESS

- **Asphalt Grinding & Resurfacing**
- **Curbs**
- **Gutters**
- **Sidewalks**
- **Water Pipelines**
- **Landscaping**
- **Traffic**
- **Signals**
- **Driveway Approaches**
- **Enhanced Lighting**

Funding provided by: County Supervisor Jesse Armendarez, County Supervisor Curt Hagman, City of Upland Water & Sewer, Gas Tax, ARPA & RMRA

POTHOLE ALL-IN-ONE REPAIR TRUCK

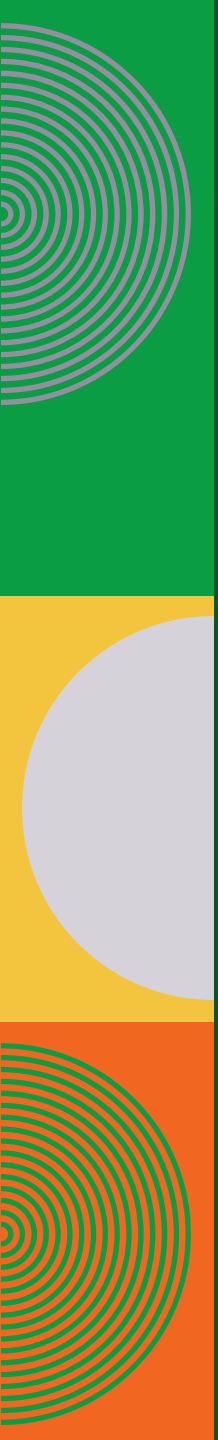
The All-in-One Pothole Repair Truck keeps the operator safe in the cab while offering labor savings, streamlined repairs, and enhanced productivity by freeing up staff to work on other tasks like sidewalks.



Peak Efficiency Comparisons*

Performance	Current Equipment	Cimline DuraPatcher P5
Time Per Pothole	20-30 minutes	< 2 minutes
Staff Required	2-3	1

**Based on ideal weather, traffic conditions, pothole size, and a 10-hour shift.*



INFORMATION ABOUT UPLAND'S MUNICIPAL ELECTION & LOCAL MEASURE M

BUSINESS LICENSE TAX REFORM

ELECTION DAY IS NOVEMBER 3, 2026



- Upland has an upcoming Municipal Election on November 3, 2026.
- Upland voters in City Council Districts 2, 3, and 4 will see uncontested City Council representatives on their ballots.
- The Municipal Election ballot will also feature Measure M - Upland's Business License Reform Measure.

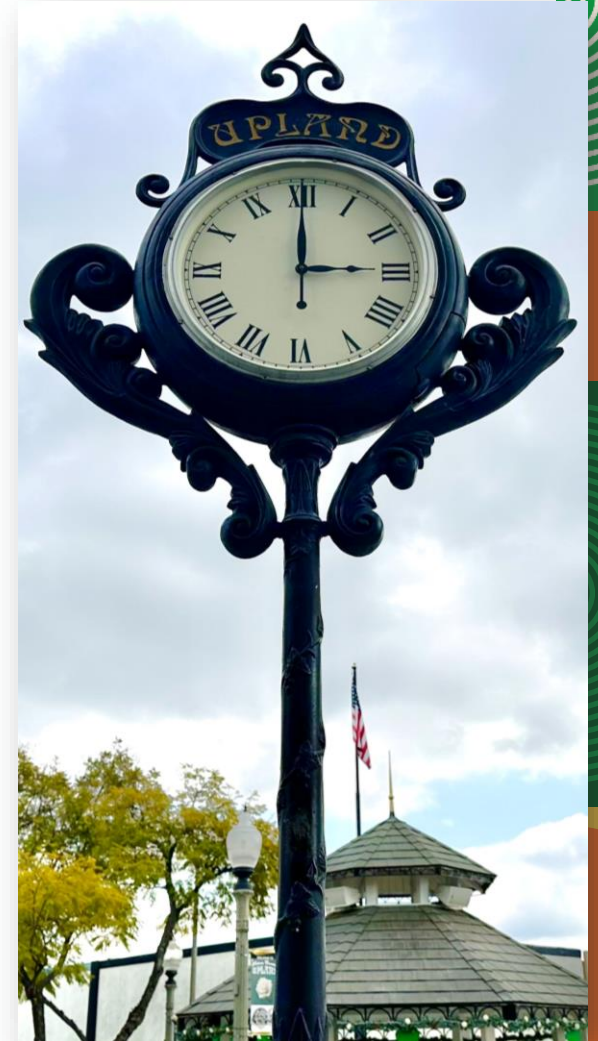
WHAT IS MEASURE M?

- On August 3, 2026, the Upland City Council unanimously placed Measure M on the November 2026 Municipal Election ballot for voter consideration to:
- Reform Upland's 31-year-old business license tax ordinance.
- Provide additional locally controlled funding to help maintain our community's quality of life.
- Measure M applies only to businesses and will not increase taxes for residents or homeowners of Upland who are not business owners.



WHY MEASURE M IS ON THE BALLOT

- Upland's business license tax ordinance was last updated in 1994. The outdated structure no longer matches the current mix of businesses in the City and results in smaller businesses currently paying a higher rate than the largest businesses
- Measure M seeks to update the ordinance so it matches the current mix of businesses in the City
- If enacted, Measure M also reduces taxes for most (55%) small businesses in Upland, while ensuring the largest businesses pay a higher proportional rate for city services residents and businesses both use





BUSINESS COMMUNITY FEEDBACK

- A variety of important recommendations from the Small Business Roundtable, Chamber of Commerce, and business community was received. Suggested recommendations include:
 - ✓ Increase minimum tax to all businesses (\$54 to \$75)
 - ✓ Reduction in original proposed rates (13%-33% reduction)
 - ✓ Phased-In approach over 2 years. Implementation Jan. 2027 & Jan. 2028 to give businesses time to plan for budgets
 - ✓ Excluding from gross receipts revenue under California Code of Regulations Section 1599
 - ✓ Cap of \$28,000
 - ✓ No change in funds collected from Downtown PBIA

NEW BUSINESS LICENSE REFORM MODEL

4,975 out of 5,993
total city businesses or
83% are Small
Businesses

Small Businesses are
defined as gross receipts
between \$0-\$500k

Increasing the annual
gross receipts and
initial tax would cover
from \$20k to \$100k

Addresses need for
additional revenue, while
ensuring City remains
high-quality location to
conduct business

Updates and Reforms the
Structure while
Addressing many
concerns raised by the
business community

Ensures large businesses
contribute appropriately
for their impact on
essential city services

NEW MODEL RECOMMENDED

Business Type	2027 Rate per \$1,000	2028+ Rate per \$1,000
Retail	0.060%	0.065%
Service	0.090%	0.125%
Professional	0.090%	0.125%
Contractor	0.100%	0.150%
Rental	0.150%	0.200%

Measure M proposes updating business license tax rates between .065% to 0.2% (65¢ to \$2 for every \$1,000) of gross receipts

NEW MODEL COMPARISON ANALYSIS - APPLES TO LEMONS DISCLOSURE

- **Montclair: \$13.4M Per Year in Additional Revenue**
 - Utility Users Tax: \$2.4M
 - Add-on Sales Tax: \$11M
- **Rancho Cucamonga: \$22.4M Per Year in Additional Revenue**
 - 27 special districts: \$21.2M
 - Additional Transient-Occupancy Tax Above 10%: \$1.2M
- **Claremont: \$9.1M Per Year in Additional Revenue**
 - Utility Users Tax: \$5.3M
 - Landscape & Lighting District: \$3.8M
- **Pomona: \$40M Per Year in Additional Revenue**
 - Add-on Sales Tax: \$17.5M
 - Utility Users Tax: \$22.5M

Source: City Budgets FY 26-27

NEW MODEL COMPARISON ANALYSIS - APPLES TO LEMONS DISCLOSURE

- **Ontario: \$66.8M Per Year in Additional Revenue** (ST Increase on Ballot)
 - Add-on Sales Tax: \$64M
 - Additional Transient-Occupancy Tax Above 10%: \$2.8M
- **Fontana: \$48M Per Year in Additional Revenue**
 - Add-on Sales Tax: \$48M
- **Rialto: \$11M Per Year in Additional Revenue**
 - Utility Users Tax: \$11M
- **Chino: \$28.1M Per Year in Additional Rev.** (BL Reform on Ballot)
 - Add-on Sales Tax: \$28M
 - Additional Transient-Occupancy Tax Above 10%: \$114k

The City of Upland has two CFDs, which only generate \$85k annually, one of which has a structural deficit so total revenue is less.

HOW DOES MEASURE M IMPACT CITY SERVICES?



If approved, Measure M provides an additional \$2.1 million annually to help maintain city services, such as:

- Fixing streets and potholes
- Keeping streets, infrastructure, parks, and community facilities safe, clean, and well-maintained
- Cleaning up piles of trash and litter in public areas
- Repairing or replacing aging storm drains and infrastructure
- Providing timely responses to 911 emergencies

POSSIBLE CUTS TO QUALITY OF LIFE IF NO BUSINESS LICENSE REFORM

- Additional Deferred Maintenance on Streets/Pothole Repair (Lowest Score in Region)
- Reduced Sidewalk Maintenance (Increases Liability)
- Reduced Library Hours
- Reduced Recreation Programs
- Reduced Citywide Graffiti Removal
- Reduced Park Restroom Cleaning/Weekend Closing
- Reduced Citywide Tree Trimming (Increases Liability)
- Reduced Citywide Landscape Maintenance (Reduces Property Values)
- Eliminate Special Events (Concerts in the Park, etc.)
- Eliminate Weed Abatement Program (Reduces Property Values)
- Hiring Freeze on Vacant Police Department Positions



POSSIBLE CUTS TO QUALITY OF LIFE IF NO BUSINESS LICENSE REFORM

- Lemon Festival
- Tour-De-Foothills (City supports)
- Irish Festival
- Holiday Lighting
- Christmas Parade
- Downtown Sidewalk Pressure Washing
- Scary A Fair
- Farmers Market (City supports every Saturday)
- Dia De Los Muertos (City supports)
- Downtown Business Economic Development Grants
- 2nd on 2nd Outdoor Dining (City supports)

MEASURE M

FISCAL ACCOUNTABILITY & LOCAL CONTROL



The measure includes a clear system of accountability, requiring annual independent audits and public disclosure of how all funds are spent.



All revenues generated by the proposed measure will stay within the City of Upland and be reinvested back into the community.



By law, this local funding cannot be taken by the State or County.

SUMMARY – MEASURE M BUSINESS LICENSE REFORM

- The proposed reform measure would NOT raise taxes on residents or homeowners
- The current business license structure is over 31-years old and needs to be updated
- The proposed reform received input from local business owners and stakeholders
- The proposed reform is fair to both small and large businesses
- The proposed reform seeks to reduce the budget gap and maintain Upland's Quality-of-Life





THANK YOU

For more information about Measure M, please
visit www.uplandca.gov/measure-m