

# PROPOSED NEW TUMF CALCULATION POLICY

Public Works Department

City Council  
March 5, 2019

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## CURRENT TUMF CALCULATION PROCESS

1. Since 2003, the TUMF Program has used a process where member agencies calculate and collect TUMF.
2. Member agencies remit the funds to WRCOG.
3. WRCOG reviews calculations after TUMF has been collected and remitted.

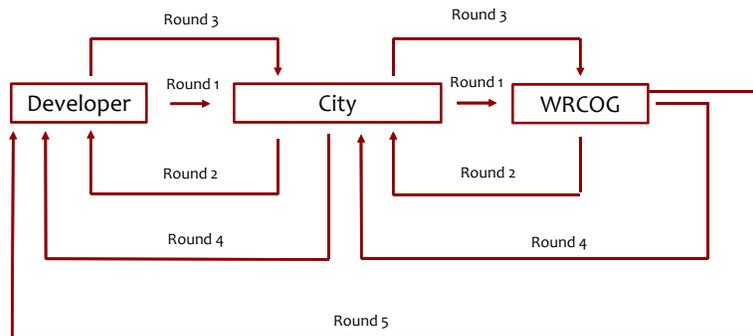


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## WHY DO THIS NOW?

### Current Process



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## DOWNSIDE TO CURRENT PROCESS

1. Penalizes member agencies for honest mistakes and misunderstandings;
2. Creates uncertainty in the TUMF process;
3. Results in TUMF under charging / over charging to developers; and
4. Can be labor intensive for jurisdictions and WRCOG.



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## WHO MAKES MISTAKES?

1. Every TUMF participant has made some type of error at one time or another;
2. Sometimes it is a minor clerical / calculation error, in other cases it is significant;
3. Mistakes are not limited to either residential or non-residential project; and
4. Mistakes are not limited to small agencies or large agencies.



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## WHY DO THIS NOW?

1. Number and severity of errors seems to be increasing;
2. Errors are across the board for all member agencies;
3. There does not seem to be a consistent pattern or single explanation; and
4. If the process can be improved to reduce errors, staff time, and jurisdictional liability, why not pursue it?



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## PROCESS

1. WRCOG discussed internally early in 2018;
2. 3 meetings held with the Public Works Directors (PWC) & Planning Directors (PDC) Committees;
3. 3 meetings held with the Technical Advisory Committee (TAC);
4. Executive Committee previously briefed;
5. Met with individual member agencies; and
6. Unanimous support from PWC, PDC, and TAC.



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## CAN WRCOG DO THIS?

1. Yes, if member agencies request that WRCOG take on this responsibility;
2. Allowed under AB 1600;
3. Legal counsel prepared a memo noting that it would be possible; and
4. Requires that each agency amend their TUMF Ordinance.



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## HOW DO WE IMPLEMENT THIS APPROACH?

1. Each member agency will have two choices:

Option 1: Continue to collect TUMF and remit TUMF to WRCOG using the current process;

Option 2: Delegate this responsibility to WRCOG by adopting an update of the TUMF Ordinance.



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## OPTION 1: CITY CALCULATES AND COLLECTS TUMF

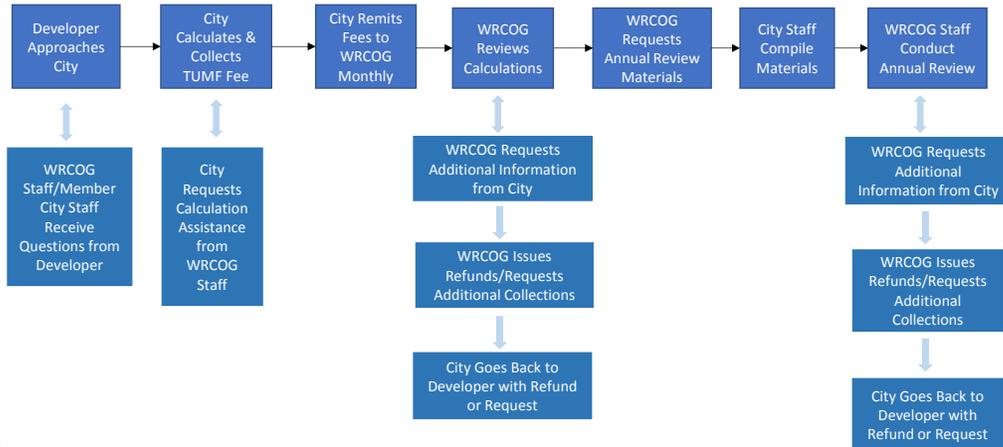
1. City will continue to calculate and collect TUMF from new development:
  - A. TUMF will be remitted to WRCOG on monthly basis.
2. WRCOG staff will request additional information regarding reported TUMF collections (specifically for non-residential development):
  - A. Building permits / site plans will be requested and reviewed to ensure correct TUMF land use classification and calculation.



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## OPTION 1: CITY CALCULATES AND COLLECTS TUMF



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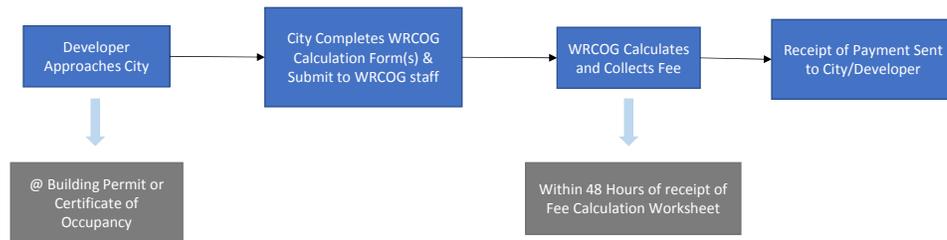
## OPTION 2: WRCOG CALCULATES AND COLLECTS TUMF

1. City will electronically submit TUMF calculation and exemption forms to WRCOG (WRCOG provides response within 48 hours);
2. WRCOG calculates fee; collects fee from developer; and
3. WRCOG sends receipt of payment to City for issuance of building permit or certificate of occupancy:
  - A. City retains land use authority & authority to approve/deny projects; and
  - B. WRCOG assumes responsibility for TUMF calculations and errors.



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## OPTION 2: WRCOG CALCULATES AND COLLECTS TUMF



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## PROPOSED IMPLEMENTATION SCHEDULE

1. October 2018: Executive Committee takes action on the revised TUMF calculation process, updated TUMF Administrative Plan, and TUMF Ordinance Amendment:
  - A. Member agencies have 30 days to opt-in to updated TUMF process or maintain the existing process.
2. November 2018 – March 2019: Member agencies approve TUMF Ordinance amendment; and
3. April 1, 2019: WRCOG begins fee collection, contingent on agency approval of TUMF Ordinance amendment.



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## NEXT STEPS

1. Following action in October by the Executive Committee, WRCOG staff will coordinate with the TAC representative from each member agency on the options for TUMF calculation / collection;
2. WRCOG Staff will request each member agency notify WRCOG of their intended approach (how notification occurs will be up to each agency); and
3. TUMF Ordinance Amendment will be distributed to the agencies that elect to have WRCOG calculate and collect TUMF for action by their respective elected body.



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## RECOMMENDATIONS

That the City Council introduce and subsequently adopt an ordinance amending the Transportation Uniform Mitigation Fee Program to allow WRCOG to collect TUMF on behalf of the City.



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