



# Transportation Uniform Mitigation Fee (TUMF)

## Frequently Asked Questions

### TUMF Process

WRCOG's Transportation Uniform Mitigation Fee (TUMF) Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in western Riverside County. WRCOG administers the program in partnership with its member agencies. Each member agencies elects to participate in the TUMF Program through adoption of an ordinance and membership in WRCOG.

In an effort to create additional efficiencies in the TUMF Program, WRCOG pursued a revision in the TUMF process to give member agencies the option to shift responsibility of calculation and collection of TUMF from the member agency to WRCOG.

Below are responses to some "Frequently Asked Questions" regarding the proposed revision. Please do not hesitate to contact Christopher Gray, Director of Transportation at [cgray@wrcog.us](mailto:cgray@wrcog.us) or at 951-405-6710 if you have additional questions.

**Question:**     ***Why did WRCOG propose a change to the TUMF process?***

Response:       A number of calculation issues have arisen throughout the history of the TUMF Program, which has led to time consuming and expensive resolution processes for both WRCOG and member agency staff. Ultimately, the member agency is responsible for confirmed calculation errors. Staff's interpretation is that these types of issues would continue to arise without an update to the TUMF calculation policy.

**Question:**     ***What does the new process entail?***

Response:       Developers will work with member agency staff to complete TUMF Calculation Worksheets with project-specific information for submittal to WRCOG staff for fee calculation. WRCOG staff would review submitted TUMF Calculation Worksheets and provide a TUMF fee assessment or feedback within 48 hours. This submittal process would be completed electronically.

TUMF fee collection would still occur at either building permit or certificate of occupancy issuance. Developers would have the option of paying fees electronically or in-person at the WRCOG offices. WRCOG staff would send receipt of TUMF payment to the respective member agency and developer for agency issuance of building permit or certificate of occupancy.

**Question:** *Does the Mitigation Fee Act allow for WRCOG to calculate and collect TUMF?*

Response: The Mitigation Fee Act does not prohibit WRCOG from calculating, verifying, or collecting TUMF on behalf of its member agencies. In fact, other regional fee programs which were based on the TUMF already implement this approach, such as the Fresno COG Regional Fee Program.

The TUMF Ordinance will be amended to allow WRCOG to calculate and collect TUMF. The governing body of each member agency will be required to approve a TUMF Ordinance Amendment to allow WRCOG to calculate and collect TUMF if the agency elects to have WRCOG take responsibility for fee calculation and collection within its boundaries.

**Question:** *Will WRCOG charge an additional processing fee for TUMF calculations?*

Response: No. The TUMF Program authorizes WRCOG to expend funds generated from TUMF that are necessary and reasonable to carry out its responsibilities for administering and managing the Program. The maximum amount of TUMF revenue that WRCOG can utilize for administering and managing the Program is 4%.

**Question:** *Does this mean that WRCOG is taking over land use control from local agencies?*

Response: No. Local agencies will maintain their current responsibilities in terms of reviewing and approving development projects. WRCOG will simply calculate the TUMF and collect the fee for those local agencies who chose to go this route.

This approach is no different than other regional fees such as Water District and School District fees, which are calculated and collected by these agencies.

**Question:** *Would the TUMF assessment on new development continue to occur at issuance of building permit?*

Response: Yes. TUMF would generally continue to be assessed at issuance of building permit; however, developers would also continue to have the option of deferring TUMF payment until final inspection or certificate of occupancy. The fees assessed shall be based on the fee amounts in effect at the time that the payment is due under the TUMF Ordinance adopted by each member agency.

**Question:** *Can developers submit fee calculation worksheets directly to WRCOG?*

Response: No. Member agency staff are required to submit TUMF Calculation Worksheets to WRCOG to ensure that the information provided on the Calculation Worksheet for calculation of TUMF accurately matches the proposed development project. This is important because member agencies would still have the ultimate authority to issue project approvals including building permits or certificates of occupancy.

**Question: *How is the TUMF be determined by WRCOG?***

Response: Neither fee levels or calculation methodologies would change at this time as a result of the updated fee calculation and collection policy. WRCOG staff would continue to use fee levels outlined in the 2016 Nexus Update, as approved by the WRCOG Executive Committee on July 10, 2017. The proposed Calculation Worksheets for submittal to WRCOG are based on existing methodology outlined in the TUMF Fee Calculation Handbook.

Once Calculation Worksheets would be submitted by member agency staff to WRCOG, WRCOG staff would calculate the TUMF based on the fee per unit and number of units proposed by a development project. This amount would then be communicated to the developer for payment of TUMF. Once TUMF has been paid to WRCOG, a receipt would be forwarded to the appropriate member agency staff and to the developer to notify the member agency that the TUMF requirement has been satisfied.

**Question: *Are developers be required to go to the WRCOG office for payment of TUMF?***

Response: No. Developers have the option to pay TUMF fees electronically via ACH. In-person TUMF payment is also be available at the WRCOG office.

**Question: *Would developers still have the option of entering Credit Agreements? Would this process change?***

Response: The Credit Agreement process would not significantly change. Credit Agreements would still be executed between member agencies and developers, as member agencies would ultimately be responsible for the acceptance of the infrastructure constructed pursuant to the Credit Agreement.

WRCOG staff would track administration of credits pursuant to each Credit Agreement as building permits tied to an Agreement are pulled.

**Question: *What is WRCOG's response time be for calculation of TUMF?***

Response: WRCOG is committed to a 48-hour response time for TUMF fee calculations. The majority of projects will be straightforward, and a calculation would be available

within this time period. For more complicated projects, WRCOG staff will initiate discussion with member agency staff within 48 hours. The turnaround time on these types of requests is currently less than a single day.

WRCOG staff has the capacity to calculate and collect TUMF. It is important to note that staff currently spends a significant amount of time working with member agency staff and developers after errors in TUMF calculation have been made and fees have been collected. This new proactive approach would avoid mistakes up-front, making the process more efficient and straight-forward for all parties involved.

**Question:** *Can a developer appeal WRCOG's calculation of TUMF?*

Response: Yes. The appeal process streamlined and developers have the option to bring appeals directly to WRCOG. WRCOG staff will continue to coordinate with member agency staff to resolve appeals.

**Question:** *How would this change impact reporting/annual review requirements?*

Response: Because WRCOG would be responsible for TUMF calculation and collection, WRCOG staff would simply verify that TUMF Calculation Worksheets were submitted for all building permits issued within a given time period.

This would significantly streamline the process as the current process involves planning and finance staff time gathering relevant information such as receipts of TUMF payment, building permits, and Remittance Reports.

**Question:** *When do these changes take effect?*

Response: These proposed changes are currently being discussed in several of WRCOG's committees. A tentative schedule of implementation is shown below:

October 2018: WRCOG Executive Committee takes action to update the TUMF Administrative Plan to have WRCOG calculate TUMF for all member agencies. The WRCOG Executive Committee will also take action on the amended TUMF Ordinance to have WRCOG calculate and collect TUMF for member agencies that elect to adopt the TUMF Ordinance.

Once the Executive Committee takes action on a revised TUMF process for calculation and collection, member agencies would have thirty days to notify the WRCOG Executive Director if they intend to opt-in to have WRCOG collect fees.

November 2018: Calculation policy takes effect on predetermined date; for example, November 1, 2018.

November 2018 – March 2019: Governing body of each member agency interested in WRCOG collection of TUMF approves TUMF Ordinance Amendment.

May 1, 2019: WRCOG begins fee collection, contingent on member agency approval of the amended TUMF Ordinance. Agencies would also have the option of adopting the amended TUMF Ordinance after May 1, 2019; however, WRCOG will not begin collecting fees until after the amended Ordinance is adopted.

**Question:** ***How can I find out more about WRCOG's TUMF Program?***

Response: To learn more about WRCOG's TUMF Program, please refer to the WRCOG website at [www.wrcog.us](http://www.wrcog.us) and select the TUMF link. To request a meeting or presentation, please contact Christopher Gray, WRCOG Director of Transportation, at [cgray@wrcog.us](mailto:cgray@wrcog.us) or at 951-405-6710.