

**AGENDA  
SPECIAL CITY COUNCIL MEETING  
CITY OF BANNING  
BANNING, CALIFORNIA**

April 25, 2017  
3:00 p.m.

Banning Civic Center  
Council Chambers  
99 E. Ramsey St.

**I. CALL TO ORDER**

- Roll Call – Councilmembers Andrade, Franklin, Peterson, Welch, Mayor Moyer

**II. PUBLIC COMMENTS – *On Items Not on the Agenda***

*A five-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff or future study, research, completion and/or future Council Action.) (See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.*

**III. WORKSHOP**

1. TUMF Nexus Study Update (ORAL)  
(Presentation by Chris Gray, Western Riverside Council of Governments)

**IV. ADJOURNMENT**

*Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m.*

*The City of Banning promotes and supports a high quality of life that ensures a safe and friendly environment, fosters new opportunities and provides responsive, fair treatment to all and is the pride of its citizens.*

**NOTICE:** Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda, but is of interest to the general public and is an item upon which the Mayor and Council may act. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

**In compliance with the Americans with Disabilities Act**, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (951) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]

# TUMF Nexus Study Update

City of Banning

April 25, 2017



## Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program

- Regional Transportation Fee Program for Western Riverside County jurisdictions and March JPA
- Implemented in 2003 in Western Riverside County
- Fee is uniformly assessed on new residential and non-residential development
- Implemented through adoption of an Ordinance by each member jurisdiction/agency
- Member jurisdictions collect and remit revenues to WRCOG; revenues are re-distributed for prioritization / programming by member jurisdictions/agencies through the five Zones of the subregion, by RCTC, and by RTA



## Benefits of TUMF

- The TUMF is a supplemental revenue source that is leveraged against traditional funding sources, such as State and Federal funding
- The TUMF Program has contributed funding to the completion of more than 90 projects
- \$400 million in direct TUMF funds have been leveraged with \$600 million to result in \$1 billion in total construction funding
- Participation in TUMF allows jurisdictions to continue to receive their Measure A dollars



## Need for the TUMF Program

- To provide a supplemental revenue stream to augment the shortfall from traditional funding sources (State/federal funding)
- To ensure that new development pays its fair share towards providing the needed infrastructure improvements
- To mitigate the traffic impacts from new development on the regional system of highways and arterials
- Other Transportation revenues like Measure A and the Gas Tax are also needed to fund the maintenance of existing roadways
- CEQA mitigation measure for regional traffic impacts



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# The TUMF Program takes advantage of local jurisdiction expertise

Cost efficiencies built into the Program from the beginning:

WRCOG administers the TUMF Program:

- Program administrator
- Prepares Nexus Study (technical and legal anchor for TUMF) and sets fees
- Receives and allocates fees to partner agencies (jurisdictions, RCTC, RTA, RCA)

Jurisdictions and agencies implement the TUMF Program:

- Collect fees from new development
- Remit fees to WRCOG
- Prioritize and program projects through the Zone process utilizing local expertise

Construct projects

Zones have final say on the projects funded by TUMF



## **Nexus Study update: What does the Nexus Study actually do?**

- Sets the maximum allowable fee that can be charged by land use type
- Specifies the list of projects that can be funded by the TUMF Program
- Last adoption of Nexus Study occurred in 2009
- September 2015: WRCOG Executive Committee directed staff to delay finalizing the TUMF Nexus Study
- February 2017: Draft TUMF Nexus Study was released for review



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## Why update the TUMF Nexus Study?

- Last update to the Nexus Study was more than 8 years ago
- Development patterns and growth projections have changed
- Project costs have increased (updates to the costs themselves would result in 30% increase on fees)
- Staff, member jurisdictions, and key stakeholders have conducted two comprehensive updates to the TUMF Network
- Staff and jurisdictions looked for ways to prioritize projects to reduce the overall increase in the fee for new projects (offsets)



## **Draft TUMF Nexus Study, cont.**

- The Draft Nexus Study also contains funding for future facilities located within the City of Beaumont
- A settlement agreement is in place between the City of Beaumont and WRCOG
- The City of Beaumont would only rejoin the TUMF Program if the Nexus Study is adopted by the WRCOG Executive Committee



## Draft TUMF Nexus Study

- WRCOG and TUMF consultant have updated the following components of the Nexus Study since the Executive Committee took action to delay the Nexus Study in September 2015
  - Growth Forecast – Adopted in April 2016 by the SCAG Regional Council;
  - TUMF Network – WRCOG and member jurisdictions undertook a comprehensive review of the facilities included in the TUMF Program to ensure that all facilities warrant inclusion in the Program;
  - Fee calculation methodology – WRCOG and TUMF consultant used a Vehicle Miles Travel (VMT) approach for fee calculations of residential and non-residential land-use types. This approach has not previously been utilized in past editions of the Nexus Study;
  - Data sources – Updated data from SCAG and Riverside County for employee to square footage conversion.



## TUMF Network – City of Banning

- The TUMF Network contains \$123 million in funding for the City of Banning over the life of the TUMF Program
- Facilities within the City of Banning include:
  - Highland Springs/I-10 Interchange
  - Highland Springs (Oak Valley to Wilson)
  - Sun Lakes (Highland Home to Sunset)



## How do the findings of the fee comparison study inform the Nexus Study?

- WRCOG retained Economic and Planning Systems (EPS) to conduct a comprehensive review of fees in and around the WRCOG subregion and the economic impact of infrastructure
- With the exception of retail development, TUMF represents a modest proportion of total development impact fees in Western Riverside County
- Average development impact fees in WRCOG member jurisdictions are within range in surrounding areas for all uses except retail
- As a total of development costs, TUMF represents between 1.3 percent and 3.5 percent of total development costs / returns for the prototype feasible projects depending on each land use category

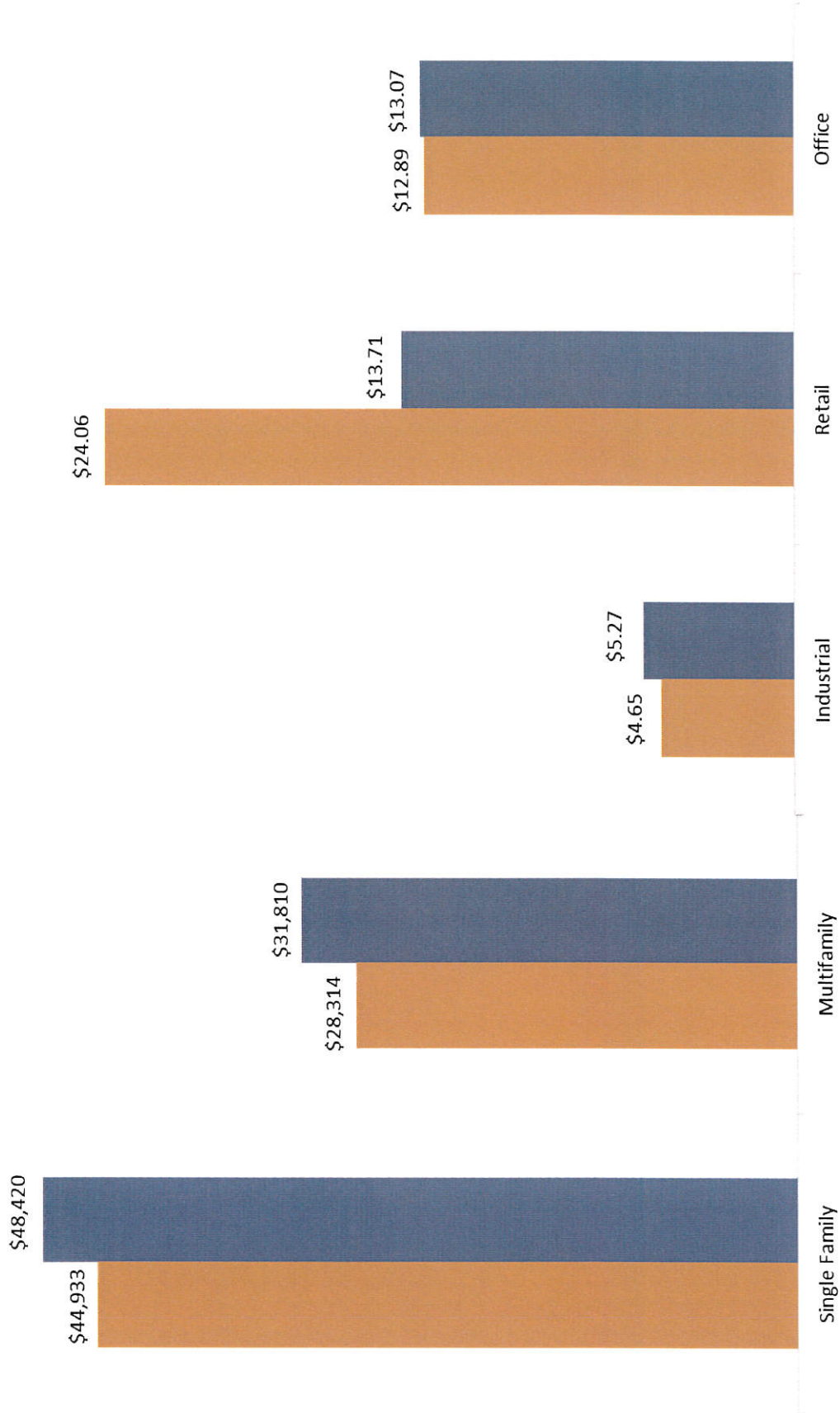


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# Current Fee Levels?

WRCOG  
San Bernardino County

Fee Comparison: WRCOG and Selected San Bernardino Jurisdictions  
*\*Current fees in effect today*



## Proposed TUMF Schedule- Draft Nexus Study

| Land Use Type             | Current Fee | 2017 TUMF Nexus Study – Proposed Fee | % Change From Current Fee |
|---------------------------|-------------|--------------------------------------|---------------------------|
| Single-Family Residential | \$8,873     | \$9,985                              | 12%                       |
| Multi-Family Residential  | \$6,231     | \$6,503                              | 4%                        |
| Industrial                | \$1.73      | \$1.88                               | 8%                        |
| Retail                    | \$10.49     | \$13.05                              | 24%                       |
| Service                   | \$4.19      | \$4.84                               | 15%                       |



## Updates to the Draft TUMF Nexus Study

- WRCOG has been working with key stakeholders like the BIA, NAIOP, and others who commented on the previous TUMF Nexus Study to proactively address any questions/comments
- SB 132 provides direct funding for \$80 million in TUMF facilities; if passed Nexus Study will be updated
- Changes to the TUMF Network based on SB 132 would result in a reduction in the fees of 5-7% for all categories



## Potential TUMF Schedule- Updated Nexus Study (if SB 132 passes)

| Land Use Type             | Current Fee | % Change From Current Fee (SB 132) |
|---------------------------|-------------|------------------------------------|
| Single-Family Residential | \$8,873     | 6%                                 |
| Multi-Family Residential  | \$6,231     | -2%                                |
| Industrial                | \$1.73      | 3%                                 |
| Retail                    | \$10.49     | 17%                                |
| Service                   | \$4.19      | 9%                                 |



## Phasing the fee

- No decision has been made on phasing yet
- WRCOG member agencies have strongly recommended that any retail fee increase be phased in or frozen
- Any phase or freeze would likely be for 2-4 years
- WRCOG staff will recommend a final phasing scenario based on any comments, State Funding changes, and other inputs



## What actions can the WRCOG Executive Committee take on the Nexus Study?

Executive Committee takes separate actions on the Nexus Study and the TUMF fee schedule

1. Executive Committee first accepts or rejects the Nexus Study
2. If the Nexus Study is accepted, Executive Committee has 3 options
  - a) Set the fee at the maximum level in the Nexus Study
  - b) Set the fee at the maximum level in the Nexus Study and phase the fee increase
  - c) Set the fee at a level below what is set in the Nexus Study
3. If the Nexus Study is rejected, the 2009 Nexus Study remains in effect



## What if an updated Nexus Study isn't adopted?

- Key projects would not be eligible for TUMF funding under the 2009 TUMF Nexus Study
- Other projects will be ineligible for additional funding
- Many of the projects are already underway at various phases of implementation
- TUMF for these key projects has been programmed to the Zone Transportation Improvement Programs (TIP) in anticipation of action on the new Nexus Study



## Key projects that can't be funded without an updated Nexus Study

- **Scott Road / I-215 Interchange (City of Menifee)**
- Theodore Street / SR-60 Interchange (City of Moreno Valley)
- Case Road, I-215 to Goetz Road (City of Perris)
- **Adams Street / SR-91 Interchange (City of Riverside)**
- Keller Road / I-215 Interchange (City of Murrieta)
- **Franklin Street / I-15 Interchange (City of Lake Elsinore)**
- **Corydon Road, Mission Trail to Grand Avenue (City of Wildomar)**

**\* Projects in bold are ones where funding has been requested for the upcoming Fiscal Year**



## How does the Nexus Study update affect developers?

- Some developers will benefit from the Nexus Study as it will provide additional TUMF credit for projects they are already conditioned to build
- Examples include:
  - Jefferson Avenue in Murrieta (+\$1 million)
  - Whitewood Road in Murrieta (+\$8 million)
  - Temescal Canyon Road in Lake Elsinore (+\$2 million)
- In the County unincorporated area, there have been 33 Credit Agreements with developers
- About 1/4 of all developers use some kind of credit or reimbursement agreement



## **If adopted, when would any fee increase take place?**

- Once the Nexus Study is approved by the Executive Committee, member agencies can begin taking the TUMF Ordinance/Resolution to Council/Board
- Process of review and approval of TUMF Ordinance/Resolution can take between 60-90 days, therefore, any change in fee should be effective after July 2017

