



Staff Report

TO: Mayor, and City Council Members
FROM: Jeff Hart, Public Works Director
DATE: February 4, 2020
SUBJECT: **Improvement and Credit / Reimbursement Agreement for Transportation Uniform Mitigation Fee's between the City of Beaumont and Pardee Homes for the Oak Valley Interchange Project**

Background and Analysis:

The Oak Valley Interchange Project (Project) consists of design engineering of a new partial cloverleaf interchange at Oak Valley Parkway and Interstate 10. The preliminary layout design is as shown in Attachment A.

The City of Beaumont (City) is a member agency of the Western Riverside Council of Governments (WRCOG), a joint powers agency comprised of the County of Riverside and 18 cities located in Western Riverside County. WRCOG is the administrator for the Transportation Uniform Mitigation Fee (TUMF) Program. As part of the TUMF Program, the City has adopted the "Transportation Uniform Mitigation Fee Nexus Study: 2016 Update."

Pardee Homes has requested from the City certain entitlements and/or permits for the construction of improvements. Pursuant to the TUMF Program, the City requires the developer to pay the TUMF fees which covers the developer's fair share of the costs to deliver TUMF improvements. This helps mitigate the project's traffic impacts and burdens on the regional system of highways and arterials generated by the project. These are intended to coordinate regional transportation improvements to mitigate congestion.

As an option, and in lieu of paying TUMF, the developer can complete improvements listed on the TUMF nexus study and obtain credit for the improvements. Project costs allocated in the TUMF nexus study for the engineering design for the Project are \$6,390,000. This agreement will provide the developer TUMF credits not to exceed the amount of the maximum TUMF valuation. It is anticipated that the City will develop a request for proposals for the design engineering of the Project and subsequently enter

into a professional services agreement with the successful respondent. The developer will reimburse the City for project related expenses on a routine basis until the Project is complete in order to obtain the specified TUMF credit.

Staff is recommending approval of the Improvement and Credit / Reimbursement Agreement between the City of Beaumont and Pardee Homes for the Project in an amount not to exceed \$6,390,000. A copy of the agreement has been reviewed by WRCOG whom is in concurrence with the attached credit agreement (Attachment B).

Fiscal Impact:

The Agreement provides for WRCOG TUMF fee credits to be granted based on the engineering design of TUMF facilities. All TUMF credits and terms are subject to the applicable administrative rules and written approval of WRCOG. This agreement does not provide for any credits of City fees. City staff estimates the cost to prepare this agreement to be approximately \$2,000.

Recommended Action:

Approve the Improvement and Credit / Reimbursement Agreement between the City of Beaumont and Pardee Homes for the Oak Valley Interchange Project and authorize the Mayor to execute the agreement.

Attachments:

- A. Facility Map
- B. Agreement between the City of Beaumont and Pardee Homes for the Oak Valley Interchange Project