

COMMUTER BENEFITS COMPLIANCE GUIDE

Richmond Commuter Benefits Ordinance

Effective December 18, 2009, Chapter 9.62 of the City of Richmond Municipal Code mandates employers with ten or more employees to implement a Commuter Benefits Program. The ordinance aims to encourage commuters to decrease the number of single-occupant motor vehicle trips to worksites by using alternative methods of transportation such as public transit, vanpools, carpools, biking, telecommuting and alternative work schedules. The goal is to reduce emissions of greenhouse gases and improve air quality. Furthermore, alternative commute modes will alleviate traffic congestion and shorten travel time.



Who needs to comply?

The ordinance is applicable to private businesses, public agencies, and non-profit organizations within the incorporated City of Richmond who employ 10+ full time employees. The employers total employee count is based on all worksites within the City of Richmond inclusive of branch locations with less than 50 employees.

If a business has 50+ employees in the City of Richmond and/or across all sites in the Bay Area*, the employer must register with the Bay Area Commuter Benefits Program administered by Bay Area Air Quality Management District and Metropolitan Transportation Commission. Once an employer with 50+ employees within the City of Richmond registers with the Regional Commuter Benefits Program, the registration information will be made available by BAAQMD to the City of Richmond. Therefore, employers with 50+ employees will be exempt from registering with the City of Richmond; however the employer will be mandated to submit quarterly progress and annual reports.



COMMUTER BENEFITS COMPLIANCE GUIDE

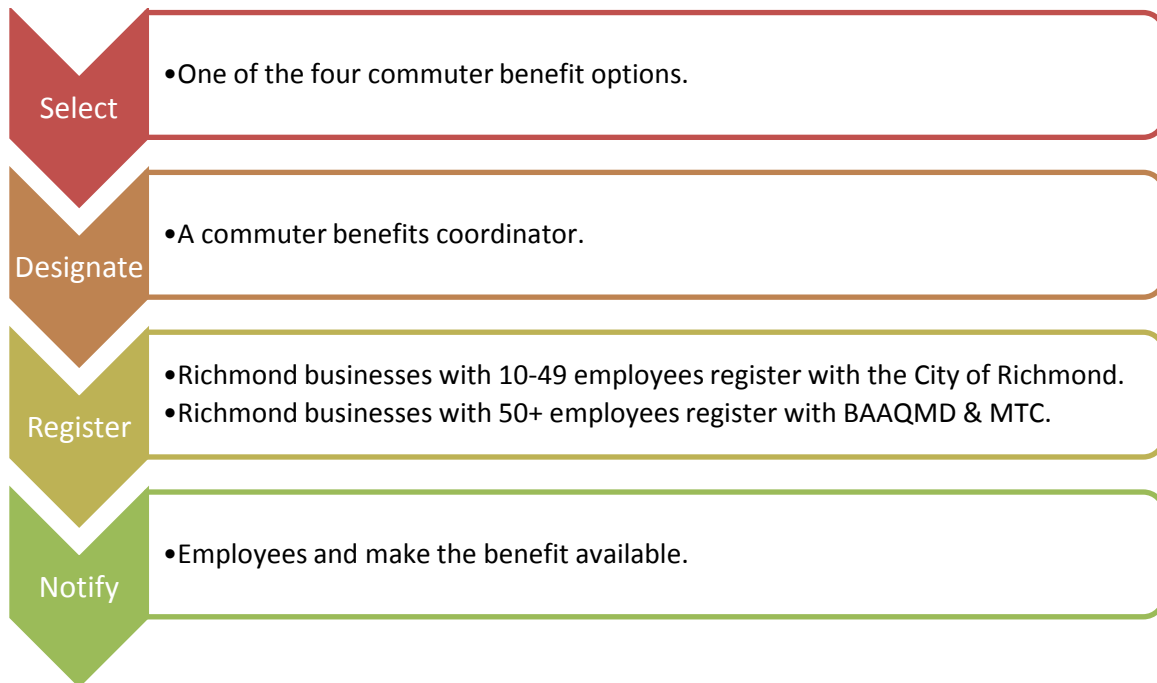
*The Bay Area is defined as including all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, as well as the western portion of Solano County (including Fairfield and points west) and the southern portion of Sonoma County (including Windsor and points south).

How to Comply?

The City of Richmond's Commuter Benefits Ordinance requires businesses with 10+ employees within the City of Richmond to offer one of the following employee benefits:

Richmond's Commuter Benefit Options

- **Option 1:** A program, consistent with Internal Revenue Code section 132(f), allowing employees to elect to exclude from taxable wages and compensation, employee commuting cost incurred for transit passes, vanpool charges or bicycle commuting, up to the maximum level allowed by federal tax law, currently \$230 per month for transit and vanpool and \$20 per month for bicycles.
- **Option 2:** A program whereby the employer supplies a transit pass or reimbursement for equivalent vanpool charges at least equal in value to the purchase price of the adult monthly transit pass for the local transit agency system(s) requested by each employee to complete the trip to the workplace.
- **Option 3:** Transportation furnished by the employer at no cost to the employee in a vanpool, bus or similar multi-passenger vehicle operated by or for the employer.
- **Option 4:** An alternative commuter benefit which must be pre-approved by the City of Richmond.



COMMUTER BENEFITS COMPLIANCE GUIDE

Selecting a Commuter Benefits Program

In order to select a commuter benefits program, each employer must identify options that work best for the business and its employees. Employers have an array of options to choose, examples include: creating carpools and vanpools, providing transit passes (free or subsidized transit passes), facility improvements to install bike racks and lockers, offer tax incentives, or provide on-site amenities such as shuttles and vans. Furthermore, the business may administer the commuter benefit in-house or use a third party vendor.

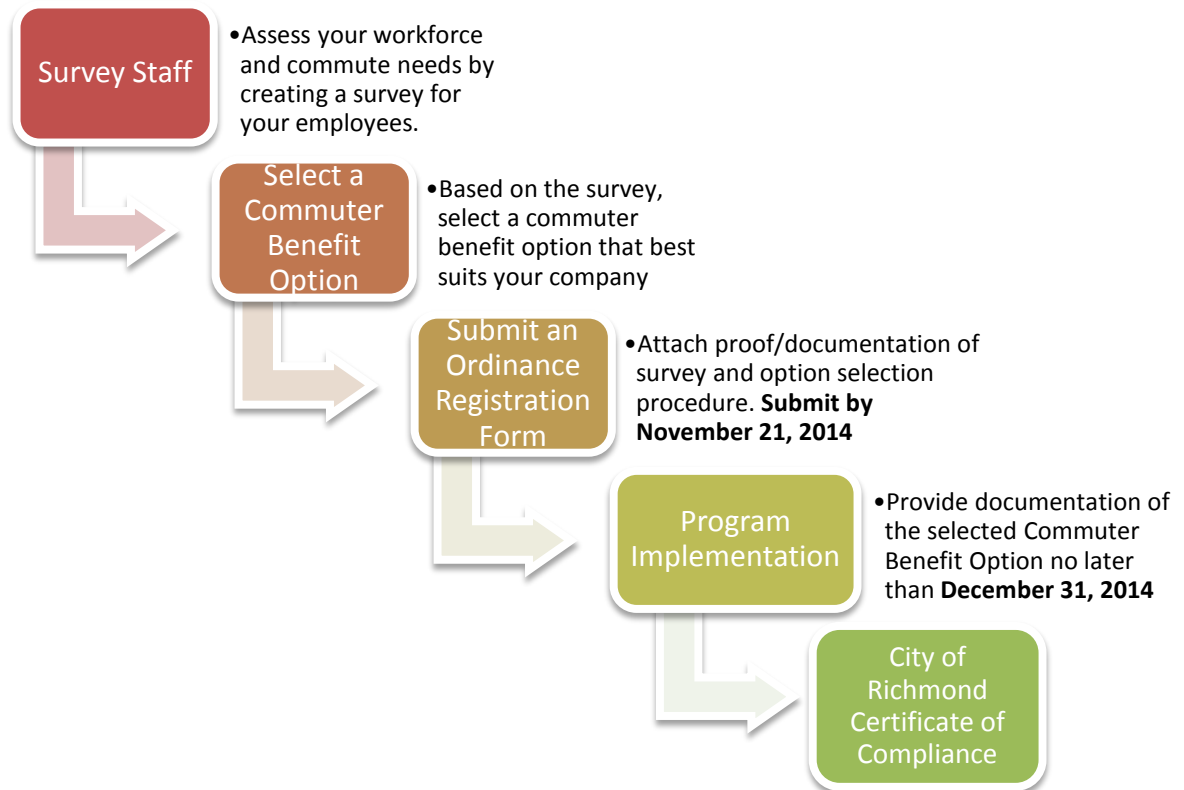
Because each business has different transportation needs, it is crucial for employers to research the type of program that best suits the company and employees. Employers will need to create a survey to assess best transit options for their employees' commute. This survey should include questions directly pertaining to the transportation circumstances of the company.

Program Implementation

After completing an employee survey and determining the best commuter benefit option. The business must report the findings of the survey to the City to Richmond. To move forward, the employer must gain the City's support for a commuter program that benefits both company and the employee needs. It is essential for program objectives to match with staff and operational constraints.

City of Richmond businesses with 10-49 employees are required to submit an Ordinance Registration form by **November 21, 2014**. Also, employers are required to submit proof of survey findings, and documentation of option selection procedure. Employers who wish to select a commuter benefit option through the City of Richmond are exempt for filing compliance. The City of Richmond will review your registration form and supporting documentation. In order to obtain a City of Richmond Certificate of Compliance, the employer must implement one of the selected commuter benefit options. Once a program has been implemented, the employer must submit documentation of system for deductions or subsidy payments, proof of marketing and outreach plan for employees, proof of advising employees of the available commuter options, and the sign-up procedure. Documentation pertaining to implementation of the program must be submitted no later than December 31, 2014.

COMMUTER BENEFITS COMPLIANCE GUIDE



City of Richmond Businesses with 50+ employees should have already registered with BAAQMD & MTC. The businesses' are exempt from registering with the City of Richmond; however quarterly progress reports and annual reporting is required. If a program has already been implemented, the employer must submit documentation of system for deductions or subsidy payments, proof of marketing and outreach plan for employees, proof of advising employees of the available commuter options, and the sign-up procedure. All documentation must be submitted no later than December 31, 2014. Employers who wish to select a commuter benefit option through the City of Richmond are exempt for filing compliance.

Submission:

Submit registration form and all documents by e-mail to:

cbo@ci.richmond.ca.us

Should you have questions or concerns, please contact Lori Reese-Brown: 510-620-6869, or lori_reese-brown@ci.richmond.ca.us