City of Lafayette Staff Report

For: City Council
By: James Hinkamp, Transportation Planner
Meeting Date: March 14, 2016
Subject: Approval and Adoption of the Lamorinda Fee Nexus Study update and the First Amendment to the Lamorinda Fee & Financing Authority Joint Exercise of Powers Agreement

Background

On May 26, 2015, the Council approved in concept a revised Lamorinda Development Mitigation Fee Program based on analysis in the associated 2015 Nexus Study update. This study updates fee allocations for new development in the Lamorinda sub-region. The Lamorinda Fee & Financing Authority (LFFA) has administered the Fee Program since its inception in 1998 by virtue of a Joint Exercise of Powers Agreement (JPA). The LFFA’s role as Fee Program administrator fulfills requirements set forth in the Measure C (now Measure J) countywide sales tax.

The LFFA took action on January 27th, to approve the Nexus Study update, as well as the content and form of this First Amendment to the JPA, to be sent to member jurisdiction council boards for final approval. Engineering staff participated in the amendment process in a supporting role, with primary oversight from member jurisdictions’ legal staff and the LFFA (Councilman Tatzin being the Lafayette representative on that board). Staff recommends that the City Council now formally approve and adopt the Nexus Study update, along with the First Amendment to the LFFA JPA, to enact the updated fees. Such action would consequently also require updating the City’s corresponding Transportation Development Fees schedule, as set forth in City Ordinance 488 § 1. A hearing to amend this ordinance is anticipated to occur at the next Council meeting.

Review of the Nexus Study Update

Per the California Mitigation Fee Act, also called Assembly Bill 1600 (AB 1600), a nexus study provides the basis for impact fees allocated to new development in rough proportion to the amount of impacts created by said development. In the previous Nexus Study for the Lamorinda Fee Program, the impacts were based on projected trip generation rates associated with project growth, as estimated in available travel forecasts at the time. The new fees are to be calculated using vehicle-miles of travel (VMT) generated by new development, as opposed to the traditional peak-hour trip generation rates. As recommended in the Nexus Study update, it is believed VMTs will be more compatible with the types of mitigation projects forming the nexus for the impact fees, and would also more fairly address development types that do not
contribute traffic during the traditional peak traffic time. Furthermore, the Nexus Study update includes changes to baseline fees for listed land use development categories and for sub-regional allocations to each member jurisdiction. The updated impact fees for land use categories are as follows:

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Home</td>
<td>$7,269 per unit</td>
</tr>
<tr>
<td>Multi-Family Dwelling</td>
<td>$5,088 per unit</td>
</tr>
<tr>
<td>Commercial Use</td>
<td>$7.78 per square foot</td>
</tr>
<tr>
<td>Other</td>
<td>$800 per daily trip</td>
</tr>
</tbody>
</table>

The updated sub-regional allocation percentages for each respective member jurisdiction are also as follows. These percentages represent the growth in vehicles-miles-travelled in each jurisdiction due to development, and correspond directly to its share of the projected total Fee Program revenue of $25 million (assuming future development growth matches current projections):

- 52.5% in Lafayette
- 26.2% in Moraga
- 21.2% in Orinda

At the time of Council approval of the Fee Program it was also noted that there would be a two-part fund disbursement methodology, whereby each member jurisdiction is to receive an “off-the-top” local share and an additional share of the sub-regional pool of funds. The local share is to be 50% for each member jurisdiction. The allocation from the sub-regional pool is then a mathematical function to ensure that the local share plus regional share revenues for each jurisdiction sum up to the overall fee revenue allocation listed above. As an example, a $1,000 development fee collected in one jurisdiction would yield $500 (50%) as a local share for that jurisdiction with the remaining $500 (50%) sent to the sub-regional pool. The regional pool allocations are then to be disbursed as follows:

- 55.1% to Lafayette
- 16.5% to Moraga
- 28.5% to Orinda

Thus, Lafayette would expect to receive 55.1% of future disbursements from the sub-regional pool.

**Summary of the First Amendment to the LFFA JPA**

In 1998, the original LFFA JPA codified administrative procedures to implement the Lamorinda Fee Program. The implementation of the updated fees is contingent upon approval of the First Amendment to this JPA. Going forward from 2016, this First Amendment reflects procedural changes that are necessary for consistency with the recent Nexus Study update. Red-lined changes to the original JPA are shown in Attachment 3. Note that minor amendments are proposed for the main body of the JPA whereas more significant changes are
evident in the two attachments to the JPA, which are revised from the original JPA as Attachment 1-A and 2-A, respectively. Each LFFA member’s legal counsel has reviewed the changes as proposed.

The LFFA supports the following amendments within the main body of the JPA:

- Revise language to reflect the adoption of Measure J and its expiration date.
- Update language in Sections 4(G)(3), 4(G)(4) and 4(G)(5) to reflect the current administrative roles of “Treasurer” and “Controller” that have been assigned to the City of Lafayette for the past several years; this assigned role is not anticipated to change.
- Strike references to “Auditor”, as no LFFA member jurisdiction has one.

For Attachment 1-A, the LFFA proposes the following amendments in corresponding Sections:

**Section B**
In lieu of the schedule of fees listed in the original JPA, refer instead to the 2015 Nexus Study (or a subsequent update to the study), as the basis for establishment of fees.

**Section E**
Delete reference to a specific fee calculation methodology, and instead provide a more general reference to the Nexus Study.

**Section F**
As opposed to explaining in full the reporting requirements of AB1600, streamline the text and minimize redundancy by referencing the actual bill. In doing so, reference to a “Strategic Plan” is also deleted in favor of instituting periodic updates to the Fee Program (per Sections B and L in Attachment 1-A, and Section A in Attachment 2-A).

**Section J**
Broaden the project types for which the LFFA may consider fee waivers to be consistent with State housing law; also substitute the more commonly-used term “transit-oriented” development in place of “transit-based” development.

**Section K**
Amended to more explicitly state that a City may approve a credit of its local share, and to require a reporting to the LFFA of a credit of the local portion of the fee that has been granted by any a member jurisdiction.

**Section L**
Similar to Section B, delete specific “setaside” and “regional” fee amounts, and instead to refer to the 2015 Nexus Study or a future update of that study.

For Attachment 2-A, the LFFA proposes the following amendments:
Section A
Revise eligible project types to reflect those listed in the Nexus Study Expenditure Plan (see Appendix A of the Nexus Study).

Section C
Similar to Section A, above, include the Expenditure Plan by reference only. Furthermore, change the clause that would limit LFFA fee expenditures for non-construction elements of a project to no more than 25% in a single year to instead apply to the project as a whole. The rationale is that this change would be consistent with the intent of the Fee Program to fund construction of traffic improvements by limiting the total expenditure on non-construction activities to no more than 25% of the project total.

Section E
Whereas the original JPA called for the sub-regional allocations to be met over the entire life of the Fee Program, from inception to termination, this section should be revised to correlate to the achievement of the targeted regional percentage allocations in the Nexus Study to the period for which the Nexus Study is in effect.

Section G
Delete references to a “Strategic Plan.” Instead, this section should be revised to establish project schedules per a member jurisdiction’s adopted Capital Improvement Program (CIP) or as otherwise determined by its City/Town Council.

Next Steps
Pending approval by all member jurisdictions, the revised LFFA JPA and development impact fees established by the Nexus Study update will become effective 60 days from the date of approval of the JPA by all member jurisdiction boards.

Fiscal Impacts
If projected development growth occurs as predicted, Lafayette could receive up to $13 million from the fee program over the next 30 years to devote to eligible projects in the Nexus Study.

Recommendation
Staff recommend City Council approval and adoption of the Lamorinda Fee Nexus Study update, the First Amendment to the Lamorinda Fee and Financing Authority Joint Exercise of Powers Agreement, to implement the updated Lamorinda sub-regional traffic mitigation fees.

Attachments
1. Draft Resolution 2016-09, adopting the updated Lamorinda Fee Nexus Study and the First Amendment to the LFFA JPA
2. Lamorinda Fee Nexus Study

3. Original JPA (red-lined)
ATTACHMENT 1

Draft Resolution
BEFORE THE CITY COUNCIL OF THE CITY OF LAFAYETTE
IN THE MATTER OF:

Adopting the 2015 Lamorinda Development Fee Mitigation Program Nexus Study and Impact Fees, and Approving the First Amendment to the Joint Exercise of Powers Agreement by and Among the City of Lafayette, the City of Orinda, and the Town of Moraga Relating to the Lamorinda Fee and Financing Authority

Resolution No. 2016-09

WHEREAS, on June 8, 1998, the City of Lafayette, City of Orinda, and Town of Moraga, each referred to as a “City,” and collectively as the “Cities,” entered into the Joint Exercise of Powers Agreement by and among the City of Lafayette, the City of Orinda, and the Town of Moraga Relating to the Lamorinda Fee and Financing Authority (LFFA) (the “Original JPA”); and

WHEREAS, the purpose of the Original JPA is to establish a development fee program within Lamorinda, in accordance with the requirements of the voter-approved Measure C (and the subsequent Measure J) sales tax program, which require each County sub-region, including Lamorinda, to “establish a development mitigation program to ensure that new growth is paying its share of the costs associated with such growth,” and to coordinate planning and implementation of the Program within a single public agency; and

WHEREAS, the Original JPA included a program to implement the Development Mitigation Fee Program, as well as an Expenditure Plan; and

WHEREAS, the Cities are currently in the process of updating the fee program and Expenditure Plan and desire to amend the Original JPA to include provisions regarding the updated fee and expenditure plan; and

WHEREAS, DKS Associates, on behalf of the LFFA has prepared the Nexus Study for the Lamorinda Development Mitigation Fee Program (“2015 Nexus Study”), included as Attachment 2 of the March 14, 2016 City Council Staff Report and incorporated herein by reference, that provides an evaluation of the need for the Lamorinda Development Impact Fee and establishes the nexus between the imposition of such impact fees and the estimated reasonable cost of providing the improvements for which the fees are charged; and
WHEREAS, Government Code section 66001 requires that, in any action establishing a fee as a condition of approval of a development project, a local agency shall:

1. Identify the purpose of the fee.
2. Identify the use to which the fee is to be put.
3. Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.
5. Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed; and

WHEREAS, on January 27, 2016 the Lamorinda Fee and Finance Authority unanimously recommended adoption of the 2015 Nexus Study and the First Amendment to the Joint Exercise of Powers Agreement by the Cities; and

WHEREAS, in accordance with Government Code Section 66016, 2015 Nexus Study was made available for public review and comment 10 days prior to this meeting;

WHEREAS, the 2015 Nexus Study substantiates the need for the proposed impact fees;

WHEREAS, the City Council wishes to adopt these proposed impact fees in accordance with the calculations and recommendations contained in the 2015 Nexus Study;

WHEREAS, in compliance with the Mitigation Fee Act (Government Code section 66000 et seq.), the City Council held a noticed public meeting on the proposed establishment of the impact fees on March 14, 2016 to solicit public input on the proposed impact fees;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lafayette hereby takes the following actions:

Section 1. Adoption of 2015 Nexus Study and Fees

A. Findings.

1. The City Council finds and determines that the 2015 Nexus Study complies with California Government Code section 66001, and as to each of the proposed impact fees to be imposed on new development:

(a) Identifies the purpose of the fee;
(b) Identifies the use to which the fee will be put;

(c) Shows a reasonable relationship between the use of the fee and the type of development projects on which the fee is imposed;

(d) Demonstrates a reasonable relationship between the need for the public facilities and the type of development projects on which the fee is imposed; and

(e) Demonstrates a reasonable relationship between the amount of the fee and the cost of the public facilities or portion of the public facilities attributable to the development on which the fee is imposed.

2. The City Council further finds that:

(a) the fees imposed by this resolution are to fund the highway and arterial improvements, transit projects, and pedestrian and bicycle improvements of regional and subregional significance as set forth Attachment 2-A of the First Amendment to the Joint Exercise of Powers Agreement;

(b) The City Council has considered the specific public facilities and cost estimates identified in the 2015 Nexus Study, and hereby approves such public facilities and cost estimates and further finds that the cost estimates serve as a reasonable basis for calculating and imposing the development impact fees for such public facilities;

(c) there is a reasonable relationship between the proposed uses for the fees imposed by this resolution and the types of development upon which the fees are imposed in that the developments will generate additional traffic on thoroughfares in the Lamorinda area, thus creating a need to expand, extend or improve existing thoroughfares and other transportation facilities or construct new ones to mitigate adverse traffic and infrastructure impacts otherwise resulting from those developments;

(d) the fees will be used to pay for the administration, planning, environmental documentation, design, right of way acquisition and construction of the improvements described in the First Amendment to the Joint Exercise of Powers Agreement, and the fees will be used solely for eligible improvements approved by the parties to the Joint Exercise of Power Agreement; and

(e) the nexus findings, in conformity with Government Code section 66000, et seq., contained in the 2015 Nexus Study, dated December 2015, prepared for LFFA by DKS Associates, Inc., which
3. The City Council further finds that the public facilities and fee methodology identified in the 2015 Nexus Study are consistent with the City's General Plan and, in particular, those policies that require new development to mitigate its share of the impacts to City infrastructure and to be fiscally neutral.

4. The City Council further finds that adoption of the 2015 Nexus Study and the establishment and/or increase in development impact fees are not subject to the California Environmental Quality Act in that they are not a "project." Pursuant to CEQA Guidelines section 15378(b)(4), the creation of government funding mechanisms which do not involve any commitment to any specific project which may cause a significant effect on the environment, is not defined as a "project" under CEQA.

B. Fees for Uses Consistent with 2015 Nexus Study

The City Council hereby determines and requires that the fees imposed pursuant to this Resolution shall be used solely to finance the public facilities described or identified in the 2015 Nexus Study and as allowed under the Mitigation Fee Act (Government Code section 66000 et seq.) including, but not limited to, reimbursing the City for the costs associated with the implementation and administration of the Lamorinda Development Mitigation Fee Program.

C. Adoption of 2015 Nexus Study.

The 2015 Nexus Study is hereby adopted.

D. Amount of Fee.

The City Council hereby approves and adopts the development impact fees as set forth in Exhibit A to this Resolution, attached hereto and incorporated herein by reference. The development impact fees set forth in Exhibit A are consistent with the 2015 Nexus Study, and shall be modified in accordance with the Joint Exercise of Powers Agreement by and Among the City of Lafayette, the City of Orinda, and the Town of Moraga Relating to the Lamorinda Fee and Financing Authority (JPA) and such amendments to the JPA that are adopted. Such fee modifications include, but are not limited to, the automatic annual increase of the fee by the amount of the increase in the ENR Construction Cost Index for the San Francisco Bay area for the period ending September 30 of if the preceding fiscal year over the year-earlier amount.

Section 2. Approval of the First Amendment to the Joint Exercise of Powers Agreement

The City Council hereby approves the First Amendment to the Joint Exercise of Powers Agreement by and Among the City of Lafayette, the City of Orinda, and the Town of Moraga Relating to the Lamorinda Fee and Financing Authority (the “First
Amendment”) as set forth in Exhibit B to this Resolution, subject to minor clarifications or modifications that may be approved by the City Manager and City Attorney, and authorizes the Mayor to execute the First Amendment on behalf of the City of Lafayette.

Section 3. Severability.

If any action, subsection, sentence, clause or phrase of this Resolution, or any attachments hereto, shall be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this Resolution or other fees levied by this Resolution that can be given effect without the invalid provisions or application of fees.

Section 4. Effective Date.

Pursuant to the Original JPA, the fees shall not be effective unless and until all three parties to the Original JPA adopt the fee. Pursuant to Government Code section 66017(a), the fees identified in Exhibit A shall take effect 60 days following the adoption of the fee and execution of the First Amendment by the Town of Moraga, City of Lafayette, and City of Orinda, with the 60 day period commencing with the date of adoption by whichever city is the last to adopt the fee.

PASSED AND ADOPTED by the City Council of the City of Lafayette at a regular meeting held on March 14, 2016 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

________________________________________
Mark Mitchell, Mayor

ATTEST:

________________________________________
Joanne Robbins, City Clerk
EXHIBIT A

FIRST AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT BY AND AMONG CITY OF LAFAYETTE, THE CITY OF ORINDA AND THE TOWN OF MORAGA RELATING TO THE LAMORINDA FEE AND FINANCING AUTHORITY

This FIRST AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT ("First Amendment") is made by and between the City of Lafayette, a California municipal corporation ("Lafayette"), the City of Orinda, a California municipal corporation ("Orinda") and the Town of Moraga, a California municipal corporation ("Moraga") as of ______________ the ("Effective Date"). Lafayette, Orinda and Moraga may each be referred to as a "City," and collectively as the "Cities."

Recitals

A. On June 8, 1998, the Cities entered into that certain First Amendment to Joint Exercise of Powers Agreement by and among City Of Lafayette, the City Of Orinda and the Town Of Moraga relating to the Lamorinda Fee and Financing Authority (the "Original JPA").

B. The Original JPA included a program to implement the Development Mitigation Fee Program, as well as an Expenditure Plan.

C. The Cities are currently in the process of updating the fee program and project list and desire to amend the Original JPA to include provisions regarding the updated fee and expenditure plan.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Cities agree as follows:

1. Addition to Definitions. The following definition is hereby added to Section 1 of the Original JPA:

   "‘Measure J Sales Tax Program’ is the one-half cent sales tax and program of projects and programs approved by the voters of the County in November, 2004, and contained in the Measure J Expenditure Plan and Ordinance."

2. Extension of Term. The last sentence of Section 3(A) is hereby deleted and replaced with the following: "Notwithstanding the foregoing, the Agreement shall terminate no later than the termination date of the Measure J Sales Tax Program (currently March 31, 2034), including any addition, extension or replacement that may be adopted from time to time."

3. Amendment of Section 4(G)(3). The first sentence of Section 4(G)(3) is hereby deleted and replaced with the following: "The City Manager of the City of Lafayette, or his or her designee, is hereby designated as Treasurer of the Authority. Such designation may be amended without amendment of this Agreement by unanimous approval of the Board."
4. Amendment of Section 4(G)(4). The first sentence of Section 4(G)(4) is hereby deleted and replaced with the following: “The City Manager of the City of Lafayette, or his or her designee, is hereby designated as Controller of the Authority, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Law. Such designation may be amended without amendment of this Agreement by unanimous approval of the Board.”

5. Amendment of Section 4(G)(5). The first sentence of Section 4(G)(5) is hereby deleted and replaced with the following: “The City of Lafayette, or such alternative City or Cities, as may be designated by the Board, shall be reimbursed upon approval of the Board for its services as Treasurer and/or Controller.”

6. Amendment to Miscellaneous References to City Auditor. Reference to the title “Auditor” is hereby deleted in the following Sections: 4(G)4, 4(G)6, 4(G)7, and 9(B).

7. Replacement of Attachment No. 1. Attachment No. 1 to the Original JPA is hereby deleted in its entirety and replaced with Attachment No. 1-A, attached hereto and incorporated herein by this reference.

8. Replacement of Attachment No. 2. Attachment No. 2 to the Original JPA is hereby deleted in its entirety and replaced with Attachment No. 2-A, attached hereto and incorporated herein by this reference.

9. Original JPA in Full Force and Effect. Except as amended by this First Amendment, the Original JPA remains in full force and effect.

IN WITNESS WHEREOF, the Cities enter into this First Amendment as of the Effective Date.

CITY OF ORINDA, a California municipal corporation

By: _______________________________
    Victoria Smith, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney
CITY OF LAFAYETTE, a California municipal corporation

By: ______________________________
    Mark Mitchell, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

TOWN OF MORAGA, a California municipal corporation

By: ______________________________
    Michael Metcalf, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney
IMPLEMENTATION OF DEVELOPMENT MITIGATION FEE PROGRAM

I. Imposition and Modification of Fees; Credit for Existing Congestion Mitigation and Similar Fees used to fund Projects, and Fee Setaside.

A. [reserved]

B. Fees shall be as established in the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program and as may be updated and unanimously adopted by the parties from time to time.

C. No party may adjust the above Fee structure without the consent of the other parties after a comprehensive review by all of the members with respect to equity and the impact of any such proposed adjustment on the Projects to be funded with the Fees.

D. Reimbursement of a party for funds advanced shall not include any interest on the amount due.

E. Fee rates have been calculated and may be adjusted as set forth herein, based on an updated study unanimously adopted by the parties and, except as otherwise provided herein, shall be uniformly adopted by the parties.

F. Fees may be updated and adjusted unanimously by the parties if needed in order to take into account changes in cost estimates for the Projects, development rates within Lamorinda, Project priorities and other funding commitments, in accordance with the California Mitigation Fee Act, AB 1600. Ongoing reporting and accounting shall also be performed by each party in accordance with the California Mitigation Fee Act, AB 1600.

G. Effective January 1, 1999 and on each subsequent anniversary date of such date, each party shall increase the amount of each of the Fees set forth above over the amounts in effect for the next preceding calendar year, by the amount of the increase in the Engineering News-Record Construction Cost Index for the San Francisco Bay Area for the period ending September 30 of the preceding fiscal year over the year-earlier amount.

H. The parties agree to continue to seek other funding sources for the Projects and to the extent that other funding is secured for a Project, any surplus Fees shall be shifted to another Project then not fully funded.

I. Fees shall be levied by each party on each development within its jurisdiction which is not exempt from or otherwise precluded from imposition of the Fee, including to the extent it may lawfully do so, in connection with the renegotiation or replacement of any development agreement in place at the time of imposition of the Fee Program by the party.

J. By rule or regulation unanimously adopted by the parties hereto, the parties may exempt certain classes or types of development, or any specific or single development, from imposition of the Fees. Such exemption may be in the form of a partial or full reduction in
the amount of the Fees. Types of developments which might be exempted include, but would not be limited to, very low, low- or moderate income housing and transit-oriented development. Should a party grant an exception or exemption which has not been approved as herein set forth, such party shall be in violation of this Agreement.

K. A party may receive a credit against the payment of Fees for construction of a usable section of any of the Projects identified in the Agreement. Each City may approve a credit of its portion of the Fees in the amount of the local share amount. The amount of credit shall be the cost of construction of the portion of the Project and the cost of the land acquired to complete that segment, as determined by the Authority or City as to the setaside. The credit may be used to reduce the Fee obligation of the developer which is constructing the usable section and/or, if the developer pays the Fees as well as contributing the usable section, may be used by the party to reduce or eliminate the Fee obligation of another developer or class of developments; provided that the aggregate credit shall not exceed in value the value of the usable section contributed as set forth above. If a party agrees to provide a credit of the setaside portion of the fee, notice of such action shall be provided to the Treasurer and to the Authority.

L. Each of the Cities shall be entitled to set aside a portion of collected fees for local transportation fee programs which have been adopted and implemented (the “setaside” portion herein, also referred to as each Cities’ “local share”). Such setaside or local share amount may be used to fund Projects and new City Projects added to the Expenditure Plan in accordance with Attachment 2-A, paragraph B below, within the jurisdiction of the City making the setaside. The maximum allowable setaside or local share shall be as established in the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program, or as updated and unanimously adopted by the parties from time to time.

II. Fee Collection and Management.

A. Fees collected in excess of setaside shall be promptly, but in no event later than thirty (30) days following the date of receipt of the fees by the City, forwarded to the Authority to the attention of the Treasurer/Controller to be deposited in the Authority’s accounts in accordance with the provisions of this Agreement. The fee setaside retained by the parties shall be maintained in an account of the City retaining the fee in a separated segregated account in accordance with applicable law, and such amount shall be available for disbursement for the purpose of reimbursing an incurred Project cost, excluding any incurred City Project cost. Fees and other revenue in the possession of the Authority shall be held by the Authority in an account in accordance with applicable law. The Treasurer shall deposit all Authority funds (excluding setaside amounts) in a separate, segregated account of the City designated as fiscal agent for the Authority. Funds shall be maintained in such account to the credit of the Authority. The Treasurer/Controller shall be responsible upon his official bond for the safekeeping and disbursement of all Authority funds so held by him. Interest accruing on funds held in the Authority shall be deemed general funds available for any lawful purpose of the Authority. Unless otherwise agreed by the parties hereto, the total obligation of each party shall be the agreed upon contribution of Fees provided for in this Attachment 1-A. The obligation to contribute Fees to the Authority shall terminate on the earlier of the date on which the Projects have been fully funded and completed or the date on which the level
of funding specified in Attachment 2-A, Paragraph C has been achieved, or upon the withdrawal of the contributing member (subject to any obligation to reimburse the Authority in accordance with this Agreement), or upon termination of the Agreement.
Attachment No. 2-A

PROJECTS; FUNDING COMMITMENTS AND ELIGIBLE COSTS;
IMPLEMENTATION SCHEDULE

A. List of Projects. The fees provided for in this Agreement shall be used exclusively for the Projects, including City Projects, listed in the Expenditure Plan in the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program, as such Expenditure Plan may be updated and unanimously adopted by the parties from time to time, each of which is a highway or arterial improvement, transit project, or pedestrian or bicycle improvement of sub-regional or regional significance. In the event that the Authority determines that one or more of the Projects cannot proceed, or if sufficient Fees become available to fund additional projects, new or substitute projects may be implemented, subject to nomination by one or more of the members, and to approval by unanimous vote of all the members of the Authority. Eligible projects shall be of regional significance and, if a replacement project, shall not receive funding under the Program in an amount in excess of the amount allocated to the replaced Project set forth in the Expenditure Plan in paragraph C below, unless additional Fees not required for Projects identified herein are available for the project.

B. Amendment to the Expenditure Plan to Add New City Projects. The nonsetaside portion of fees collected may only be used for Projects included on the Expenditure Plan as may be updated and unanimously adopted by the parties. Anything in this Agreement to the contrary notwithstanding, each City may, in its sole discretion and subject to the following, from time to time and by action of its city or town council, amend the Expenditure Plan to add a City Project or City Projects for such City to be funded with the setaside portion of the fees collected in accordance with this Agreement by such City. In connection with the adoption of such amendment to the list of Projects for such City in the Expenditure Plan, the council of the City adopting the amendment shall make findings (i) that there is a reasonable relationship between the City Project or City Projects which is/are to be added to the Expenditure Plan and for which setaside fees are proposed to be expended, and the impact on sub-regional traffic of the development upon which the fees are imposed or intended to be imposed; and (ii) that such City Project has a regional benefit. Promptly upon approval by the town or city council of the new City Project or City Projects, the City shall notify the Authority and the other parties hereto, and the Expenditure Plan shall be amended to include such new City Project or City Projects.

C. Funding Commitments and Eligible Costs. Program revenues shall be available for all necessary Project costs through completion of construction. Costs include, but are not limited to, environmental clearance, conceptual engineering, traffic studies, design, right of way acquisition, utility relocation, litigation and settlement costs and costs of construction; provided, however, that no more than 25% of any Program Fee revenues shall be expended in the aggregate for conceptual engineering, environmental clearance, traffic studies or design activities for a Project. The commitment to each Project shall be considered complete when the Project is accepted by Project's sponsor or sponsors. The amounts listed in the Expenditure Plan are intended to be maximum commitments; actual funding commitments will depend upon Fee revenues.
Administrative costs shall not exceed 1% of program revenues. Administrative costs shall not include the development of the JPA, but shall include the administration of duties included in the Agreement.

Eligible Project costs will be determined by the Authority based on cost guidelines and other criteria to be developed by it. Where the Authority deems it advisable in order to avoid undue burdens on Project sponsors, the Authority may advance fund Project expenses on a monthly, quarterly or other basis; Project costs will otherwise be reimbursed pursuant to procedures to be determined by the Authority.

D. Protecting Right of Way. Project sponsors, as a condition of Project funding through Fees, commit to protect Project rights of way, by, among other things, requiring dedication of right of way as a condition of development project approval or otherwise, pending Project commencement. Project sponsors further commit not to take actions which could adversely impact the cost of Projects, including, but not limited to, utility location or relocation, public development and the granting of easements in a proposed right of way.

E. Allocation of Regional Fees. Regional fees collected by the Authority shall be appropriated to projects included in the Expenditure Plan. As used herein, “regional fee” consists of the total Lamorinda Transportation Development Fee, less the setaside portion of the fee. The regional fee proceeds shall be allotted by the Authority in accordance with the percentages included in the applicable adopted nexus study, including the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program, for the period from the Effective Date of adoption of such nexus study to such time as the nexus study may be updated and unanimously adopted by the parties.

The percentages allocated to each city’s projects are an overall allotment of regional fees, as defined above, over the term of the Agreement, as defined in Section 3 of the JPA, and, other than with respect to regional fees allocated to any Joint Jurisdictional projects identified in the Expenditure Plan, are not required to be applied to each appropriation of regional fees by the Authority.

For purposes of calculating the above percentages, funds allocated to projects identified in the Expenditure Plan as “Joint Jurisdictional” shall be deemed to have a relative dollar value benefit to each of the three jurisdictions according to the listed percentages.

F. Defense and Indemnification. Any costs of defense and any liability incurred in connection with implementation of the Fee program shall be borne by the Authority. The Authority agrees to the fullest extent legally permitted to indemnify and hold harmless the parties to this Agreement from any liability, loss, costs and claims related to the adoption or implementation of the Fee program. Fee revenues and any other revenues transferred to the Authority by the parties pursuant to this Agreement may be used for this purpose.

G. Implementation Schedule. Subject to environmental clearance, right of way acquisition and dedication, utility relocation and other factors the timing of which may be beyond the control of the Authority, and subject to the availability of regional fee and other funding sources as may be required, project implementation shall be in accordance with each
cities’ adopted Capital Improvement Program or as otherwise determined by its City/Town Council.
ATTACHMENT 2

Lamorinda Fee Nexus Study
Nexus Study
Lamorinda Development Mitigation Fee Program

By

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December 14, 2015
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Draft Nexus Study Lamorinda Development Mitigation Fee Program

December 14, 2015
1 INTRODUCTION

1.1 Background and Purpose

The purpose of the Lamorinda Development Mitigation Fee Program is to help fund improvements to the Lamorinda roadway, transit, bicycle and pedestrian facilities needed to accommodate travel demand generated by new land development within the three Lamorinda jurisdictions – Lafayette, Moraga, and Orinda. This report documents an update of the original nexus study for the fee program produced in 1998. This report establishes the nexus for the new fee structure and rates and identifies a new method for allocation of the revenue collected by the fees to the three jurisdictions.

The three Lamorinda jurisdictions have various methods for financing transportation improvements. One of the methods is the Lamorinda Development Mitigation Fee Program. The Lamorinda Development Mitigation Fee Program collects funds from new development in Lafayette, Moraga and Orinda to finance a portion of the transportation improvements associated with travel demand generated by that development. Fees are differentiated by type of development in relationship to its relative impacts on the transportation system. The intent of the fee program is to provide an equitable means of ensuring that future development contributes its fair share of transportation improvements so that the General Plan circulation policies of the three jurisdictions and quality of life in Lamorinda can be maintained.

One of the objectives of the Contra Costa Growth Management Plan established by Contra Costa County Sales Tax Measure C and continued under Measure J is to relate new development directly to the provision of community facilities necessary to serve that new development. Accordingly, development cannot be allowed to occur unless a mechanism is in place to provide the funding for the infrastructure necessary to serve that development. The Lamorinda Development Mitigation Fee Program is a fee mechanism providing funds to construct transportation improvements to serve new residential, commercial and industrial development. Requiring that all new development pay a transportation improvement fee will help ensure that it participates fairly in the cost of improving the transportation system. This Program applies only to new development within Lafayette, Moraga and Orinda.

Each new development project or expansion of an existing development will generate new travel demand for all travel modes. Where the existing transportation system is inadequate to meet future needs based on new development, improvements are required to meet the new demand. The purpose of this development program is to determine improvements that will ultimately be needed to serve estimated future development and to require the developers to pay a fee to fund their fair share of these improvements. Because the fee is based on the relative impact of new development on the transportation system and the costs of the necessary improvements to mitigate this impact, the fee amount is roughly proportional to the development impact. This nexus study establishes this impact and mitigation relationship to new development and the basis for the fee amount.

1.2 Lamorinda Development Mitigation Fee Program

On June 8, 1998, the Cities of Lafayette and Orinda and the Town of Moraga approved a Joint Powers Agreement to implement the Lamorinda Development Mitigation Fee Program under the direction of the Lamorinda Fee and Finance Authority (LFFA). This program applied a fee structure defined by a nexus study that related the fees to the amount of new development expected and the transportation improvements needed to accommodate the new development. Although the fee rates have been updated periodically to reflect inflation, there has not been a full update of the nexus study until now.
The Lamorinda area has experienced changes in the area’s circulation needs and development potential since the 1998 nexus study. Most of the residential development potential has been fulfilled, and many of the original fee program projects have been constructed. These changes have prompted this revision to the Development Mitigation Fee Program, resulting in a new project list and fee schedule.

The purpose of this nexus study is to provide the technical basis for a comprehensive update of the overall transportation system in Lamorinda that serves the expected future demand based on changes in regional and local land use projections, planned and approved development projects, and associated changes to capital improvements and updated cost estimates.

This report documents the analytical approach for determining the nexus between the fees, the local impact created by anticipated development in Lamorinda, and the transportation improvements to be funded with fee revenues. A fair-share cost analysis was conducted to equitably distribute the costs of the necessary improvements to developments that cause the impacts, per the provisions of the Mitigation Fee Act.

### 1.3 Other Existing Development Fees in Local Jurisdictions

The primary mechanism for collecting revenue from new development to fund transportation improvements to mitigate the impact of new development in Lamorinda is the Lamorinda Development Mitigation Fee Program. In each of the three jurisdictions, a development is sometimes also required to provide mitigations as part of the CEQA process for improvements not specifically included in the Expenditure Plan (project list) for the Lamorinda Development Mitigation Fee Program. If the required mitigations are included in the Expenditure Plan, a credit may be applied to the Lamorinda Development Mitigation Fee.

Only Moraga has a separate additional fee program. In addition to the charges for the Lamorinda Development Mitigation Fee Program, new developments in Moraga must also pay fees according to the following schedule for transportation mitigation:

- Single Family Detached Home $788/dwelling unit
- Multi-Family Housing $366/dwelling unit
- Senior Housing $116/dwelling unit
- Commercial $836/1000 square feet
- Office $435/1000 square feet
- Hotel $160/1000 square feet

The Town of Moraga is currently considering elimination of this separate transportation mitigation fee if the proposed new rates and revenue re-allocation formula of this update are adopted by the three jurisdictions.

---

1 California Government Code, Sections 66000 through 66026
2 EVALUATION OF CURRENT LAMORINDA DEVELOPMENT MITIGATION FEE PROGRAM

The current Lamorinda Development Mitigation Fee Program was developed in 1998 based on the expected list of projects needed to accommodate the growth that was forecast at the time. This list of projects and estimates of their costs were used in developing the appropriate fee rates and established the projects eligible for funding under the fee program. Some but not all of the projects on the list have been completed using a combination of fee program funds, other local jurisdiction funds and regional funds. As part of this update, a new needs analysis was conducted to update this project list along with new project cost estimates. The process and results are described in Sections 3, 4 and 5 of this Nexus Study.

The current Lamorinda Development Mitigation Fee Program uses “peak hour factors” to allocate trips by land use types based on Institute of Transportation Engineers (ITE) trip generation rate estimates for the evening (PM) peak hour. However, ITE trip rates only reflect the amount of traffic coming in and out of development’s entrances, not the extent of the roadway system that is impacted by those trips. This nexus study refines this approach to reflect current impact fee programs’ best practices when estimating the impact of new development on the transportation system.

For example, simple trip rates may over-estimate the traffic impact of retail development on the overall roadway system. The average length of trips coming in and out of a new residential development is longer than trips coming in and out of a retail development. Furthermore, studies show that about 25 to 50 percent of the trips that will go in and out of a new retail development will already be traveling on roadways near that development, and thus are “pass-by” or “diverted” trips, not “new trips” to the surrounding roadway system. Substantially all of the trips going to and from a new residential unit are typically considered “new trips”.

To integrate best practices, the updated Lamorinda Development Mitigation Fee Program will instead use estimates of vehicle-miles of travel (VMT) added by new development. The VMT rates multiply the trip rate for a land use type by its average trip length and also use percentages to reflect “pass-by trips” versus “new trips.” The calculation of fee rates based on this methodology is discussed in Section 4 of this study.
3 DETERMINATION OF LAMORINDA DEVELOPMENT POTENTIAL

The transportation needs analysis and allocation of improvement costs for Lamorinda is based on the countywide travel demand model developed by the Contra Costa Transportation Authority (CCTA) using a 2040 horizon year. The calculation of fees is based on the general land use categories and associated measurement units listed in Table 1 that are used as a basis for the land use inputs in CCTA’s travel demand model.

Table 1. Land Use Types and Units

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>Dwelling Units (DU)</td>
</tr>
<tr>
<td>Multi-Family</td>
<td>Dwelling Units (DU)</td>
</tr>
<tr>
<td>Commercial/Retail</td>
<td>Jobs</td>
</tr>
<tr>
<td>Office</td>
<td>Jobs</td>
</tr>
<tr>
<td>Industrial</td>
<td>Jobs</td>
</tr>
</tbody>
</table>

CCTA’s latest land use estimates of existing conditions and 2040 forecasts of new development by Traffic Analysis Zones (TAZs) in Lamorinda were summarized and reviewed with staff of each of the three jurisdictions. Based on that review, adjustments were made and the resulting growth estimate for Lamorinda is summarized in Table 2. The table converts the estimates of jobs for nonresidential land uses used by the CCTA’s model to estimates of building square feet used in the Lamorinda Development Mitigation fee program.

Table 2. Summary of Estimated Development Growth for the Lamorinda Development Mitigation Fee Program

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Single Family DU</th>
<th>Multi Family DU</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2040</td>
<td>Growth</td>
</tr>
<tr>
<td>Lafayette</td>
<td>7,812</td>
<td>8,250</td>
<td>438</td>
</tr>
<tr>
<td>Moraga</td>
<td>5,064</td>
<td>5,404</td>
<td>340</td>
</tr>
<tr>
<td>Orinda</td>
<td>5,652</td>
<td>5,780</td>
<td>128</td>
</tr>
<tr>
<td>All</td>
<td>18,528</td>
<td>19,434</td>
<td>906</td>
</tr>
</tbody>
</table>

Percent of Total 2040 Development that is Growth (2040-2013)

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Single Family DU</th>
<th>Multi Family DU</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafayette</td>
<td>5.3%</td>
<td>32.4%</td>
<td>14.4%</td>
</tr>
<tr>
<td>Moraga</td>
<td>6.3%</td>
<td>33.7%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Orinda</td>
<td>2.2%</td>
<td>34.2%</td>
<td>8.8%</td>
</tr>
<tr>
<td>All</td>
<td>4.7%</td>
<td>33.0%</td>
<td>13.6%</td>
</tr>
</tbody>
</table>
The forecasts of growth in each jurisdiction reflect all expected growth in residential units and employment during the period from 2013 to 2040. This includes all new residential units including second units on parcels with existing single family home, but not expansion of existing units. The second units are included in the forecast of multi-family units. The forecast of employment growth includes new businesses as well as expansion of existing businesses. Additional growth in travel may also occur as a result of new development or expansion of existing developments that does not add residential units or commercial floor area. This expected increase in travel is also captured in the development of the development impact fee rates using an “other” category that will be reflected in an estimate of daily vehicle trips produced by the change in land use.
4 TRANSPORTATION NEEDS ANALYSIS

Defining the transportation needs and project list for Lamorinda involved the following steps:

1. Review of documents related to future transportation needs in Lamorinda including Transportation Impact Studies for proposed developments, subarea transportation studies by individual jurisdictions and the Draft 2015 Lamorinda Action Plan
2. Collecting traffic count data (intersections and roadway segments)
3. Identifying existing deficiencies, including level of service (LOS) and roadway standard deficiencies
4. Preparing travel demand forecasts of 2040 conditions
5. Conducting transportation system analysis to identify improvement needs
6. Identifying roadway improvements and improvements for non-auto, active transportation modes
7. Preparing a draft Lamorinda Development Mitigation project list
8. Presenting analysis and findings at LFFA meetings to obtaining input on the draft project list.
9. Finalizing project list

The key technical tasks are described in Sections 4.1 through 4.4 below.

4.1 Travel Demand Forecasting

The transportation needs analysis and allocation of improvement costs were based on CCTA’s travel demand model using a 2040 horizon year and the development assumptions summarized in Table 2. Before its use, the output of the CCTA travel demand model for existing conditions was compared to existing traffic count data in Lamorinda and some adjustments were made to the model within and near Lamorinda to improve its accuracy and detail.

4.2 Roadway/Intersection Analysis

The technical methods and standards used to identify the impact of new development on roadway and intersection vehicular congestion are described below. The same methods and standards are used to identify existing deficiencies in the roadway network as well as future deficiencies caused by 2040 travel demand from new development. When an existing deficiency is identified, it affects how the cost of an improvement is allocated to new development. New development can only fund its fair share of the total cost of an improvement not associated with correcting an existing deficiency (see Section 6).

Traffic count data is required to determine existing deficiencies and to support the future year roadway/intersection needs analysis. Traffic counts were collected on weekdays in March 2013 at key roadway segments and signalized intersections within Lamorinda.

4.2.1 Signal Warrants

Traffic signal warrants are a series of standards that provide guidelines for determining if a traffic signal is appropriate. A planning-level signal warrant analysis based on traffic volumes was conducted to determine if the traffic signals would be warranted at study intersections under existing and future (2040) conditions. If one or more of the signal warrants are met, signalization of the intersection was recommended.
4.2.2 Level of Service

The needs analysis for the Lamorinda fee program used the level of service (LOS) standards in the General Plans of the three jurisdictions, which have different standards for different areas, based on land use types. LOS is calculated separately for intersections and roadway segments. Intersection LOS analysis is based on average vehicle delay and analysis methods recommended by the Highway Capacity Manual (Transportation Research Board, 2010). Roadway segment LOS analysis compares traffic levels with roadway segment capacities determined by the number of travel lanes and the roadway type.

4.3 Transit and Non-Auto Needs Analysis

New development also has impacts on roadway design that are not accommodated by increases in vehicle capacity or improvements to vehicle safety. New development generates non-vehicular trips (bicycle and pedestrian) that are accommodated by improving roadway shoulders to provide bicycle lanes and pedestrian walkways. On roadways that require improvements based on the roadway/intersection analysis described above bicycle and pedestrian facilities would be implemented to the extent that they are represented in the County’s current standard roadway designs and in accordance with adopted "Complete Streets" policies and programs and locally adopted plans. Transit, bicycle, and pedestrian improvements also reduce vehicular congestion by shifting trips from autos to these alternative modes.

4.4 Selected Project List

The capital improvements to the transportation system in Lamorinda consist of the following types of projects:

1. Pedestrian walkway facility improvements
2. Bicycle paths, lanes and other supporting facility improvements
3. Multi-use trail improvements
4. Transit center and satellite parking
5. Transit facilities and improved access
6. Structural improvements to roadways
7. Roadway signalization, roundabouts or other traffic control enhancements or upgrades
8. Roadway widening and additional turn lanes
9. Improved roadway access to SR 24
10. Roadway safety improvements
11. Signage improvements

The draft project list was prepared to meet the needs defined above and then was presented to the LFFA Board, which approved the list shown in Appendix A.
5 IMPROVEMENT COST ESTIMATES

Planning-level cost estimates were prepared by the staff from the jurisdiction where the improvement would be implemented. The cost estimates include the following key elements in the implementation of each project:

- Project contingencies,
- Survey, design and construction management,
- Environmental mitigation,
- Right-of-way

The cost estimates for each of the selected projects for funding by the Lamorinda Development Mitigation Fee Program (the “Expenditure Plan”) are provided in Appendix A and summarized in Table 3.

Table 3. Summary of Expenditure Plan for the Lamorinda Development Mitigation Fee Program

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Transit and Non-Auto Projects</th>
<th>Roadway Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafayette</td>
<td>$ 22,147,600</td>
<td>$ 77,193,000</td>
<td>$ 99,340,600</td>
</tr>
<tr>
<td>Moraga</td>
<td>$ 14,725,200</td>
<td>$ 37,828,600</td>
<td>$ 52,553,800</td>
</tr>
<tr>
<td>Orinda</td>
<td>$ 8,794,300</td>
<td>$ 77,473,500</td>
<td>$ 86,267,800</td>
</tr>
<tr>
<td>Total</td>
<td>$ 45,667,100</td>
<td>$ 192,495,100</td>
<td>$ 238,162,200</td>
</tr>
</tbody>
</table>
6  METHOD FOR CALCULATING FEES

6.1  Allocation of Costs by Development Type

This section describes the process used to allocate improvement costs to new development in Lamorinda and the estimated development fees that result from this analysis. The calculation of fees for the Lamorinda Development Mitigation Fee Program Update is based on the general land use categories that are used in the existing Lamorinda Development Mitigation Fee Program:

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>Dwelling Units (DU)</td>
</tr>
<tr>
<td>Multi-Family(^1)</td>
<td>Dwelling Units (DU)</td>
</tr>
<tr>
<td>Commercial (Combination of Retail and Office)</td>
<td>Sq. Ft.</td>
</tr>
<tr>
<td>Other (Uses not covered by the other categories)</td>
<td>Daily Trips</td>
</tr>
</tbody>
</table>

\(^1\) Multi-family also includes second residential units on parcels with an existing single-family home.

The Lamorinda Development Mitigation Fee Program Update fee rates by development type are based on estimates of the average daily vehicle-miles of travel (VMT) generated by each land-use type. A similar method was used in the current Development Mitigation Fee Program, but rates were based on peak-hour trips. Because many of the projects on the updated list are focused on mobility improvements, not entirely on peak-hour congestion relief, daily VMT is a better metric to represent the trip-making contribution from each development type. In the allocation of costs to various land-use types, each development type is assigned a “dwelling unit equivalent” or “DUE”. The DUE rates are shown in Table 4.

Table 4. Dwelling Unit Equivalent Rates

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Units</th>
<th>Weekday Trip Rate(^1)</th>
<th>Pass-by Rate(^2)</th>
<th>Trip Length(^3)</th>
<th>Weekday VMT</th>
<th>DUE Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formula</td>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D=A*(1-B)*C</td>
<td>E=D/47.60</td>
</tr>
<tr>
<td>Single-Family</td>
<td>Dwelling Units</td>
<td>9.52</td>
<td>0%</td>
<td>5.0</td>
<td>47.60</td>
<td>1.00</td>
</tr>
<tr>
<td>Multi-Family</td>
<td></td>
<td>6.65</td>
<td>0%</td>
<td>5.0</td>
<td>33.25</td>
<td>0.70</td>
</tr>
<tr>
<td>Retail(^4)</td>
<td>Square Feet</td>
<td>.0679</td>
<td>45%</td>
<td>1.8</td>
<td>.06722</td>
<td>0.00141</td>
</tr>
<tr>
<td>Office</td>
<td></td>
<td>11.03</td>
<td>8%</td>
<td>4.5</td>
<td>.04566</td>
<td>0.00096</td>
</tr>
<tr>
<td>Commercial(^5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.00107</td>
</tr>
<tr>
<td>Other(^6)</td>
<td>Daily Trips</td>
<td>1.00</td>
<td>0</td>
<td>5.0</td>
<td>5.00</td>
<td>0.11</td>
</tr>
</tbody>
</table>

2. Pass-by Rate is estimated based on rates from the ITE Trip Generation Manual
3. Trip Length was based on values from the CCTA Countywide Transportation Model
4. Trip rate based on a property of roughly 100,000 square feet of retail
5. Reflects a weighted average of retail and office DUE rates based on projected growth in each category
6. Used for unique uses, such as colleges, where trip generation is estimated in a traffic impact analysis
DUEs are numerical measures of how the trip-making characteristics of a land-use type compares to a single-family residential unit. A single-family residential unit is assigned a DUE rate of 1. Land uses that would have a greater overall traffic impact than a single-family residential unit would be assigned a value greater than 1, while land uses with a lower overall traffic impact would be assigned a value less than 1.

DUE rates for each land-use type were developed by comparing both the daily trip generation and average trip length characteristics of various land uses to those of the single-family residential units. Also considered in the calculation of DUEs is the percentage of “pass-by” trips since some of the vehicles attracted to non-residential uses would have been on the roadway system regardless of the presence of that traffic generator. Average trip lengths for the remaining “primary” trips generated by a development type are then utilized to better reflect overall impact of longer trips on the Lamorinda roadway system.

The current fee program has a single “commercial” category that covers retail and office uses. The updated fee calculation maintains this single category and uses a weighted average of retail and office DUE rates based on the projected growth of square footage in each category (see Table 4).

The current fee rate for colleges is based on the total number of students, while the current fee rate for “other” uses is based on peak-hour trips. Colleges are unique uses and their trip generation is often based on more than one factor, (i.e. more than just total students). Thus colleges and other unique uses (included in the “Other” category) are allocated costs based on a project’s increase in daily vehicle trip generation from a traffic impact study.

6.2 Fee Calculation

The DUE rates in Table 4 were applied to the estimated growth in development by land-use type to estimate a growth of 3,392 DUEs through 2040 in Lamorinda, which is shown in Table 5.

Table 5. Estimated Growth in Dwelling Unit Equivalents

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Units</th>
<th>Estimated Development</th>
<th>DUE Factor</th>
<th>DUEs</th>
<th>Growth</th>
<th>2040</th>
<th>Growth / 2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family</td>
<td>Dwelling Units</td>
<td>Existing 18,528</td>
<td>19,434</td>
<td>906</td>
<td>1.00</td>
<td>906</td>
<td>19,434</td>
</tr>
<tr>
<td>Multi-Family</td>
<td>Jobs</td>
<td>3,278</td>
<td>4,894</td>
<td>1,616</td>
<td>0.70</td>
<td>1,131</td>
<td>3,426</td>
</tr>
<tr>
<td>Commercial</td>
<td>Sq Ft¹</td>
<td>6,715,800</td>
<td>7,776,300</td>
<td>1,060,500</td>
<td>0.00107</td>
<td>1,135</td>
<td>8,321</td>
</tr>
<tr>
<td>Other²</td>
<td>Daily Trips</td>
<td>9,200</td>
<td>11,200</td>
<td>2,000³</td>
<td>0.11</td>
<td>220</td>
<td>1,232</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>3,392</strong></td>
<td><strong>32,412</strong></td>
</tr>
</tbody>
</table>

¹ Assumes average of 350 square feet per job in retail and office space
² A college currently constitutes the vast majority of this category and is used as a basis for the trip rate. Existing college trips are estimated based on an enrollment of 4,040 students and 2.28 daily trips per student.
³ The estimate of growth in trips in the “Other” category was a rough estimate by the LFPA Technical Advisory Committee based on their knowledge or improvements being contemplated by Saint Mary’s College in Moraga and other potential changes in land uses not covered by the residential and commercial categories.
A growth of 2,000 daily trips was used for the “Other” category. This was based on knowledge that Saint Mary’s College was developing plans for changes on the campus that could generate more daily trips from students and visitors and the possibility for other land use changes in the Lamorinda area that could produce additional vehicle trips from developments not included in the residential or commercial categories. At the time this nexus study was prepared, the plans for the college and other potential developments were not sufficiently defined to provide an estimate of what the change in daily trips from the improvements would be, and so the LFFA chose to use 2000 daily trips as a rough estimate on the recommendation of the consultant.

Table 6 illustrates the distribution of growth by dwelling unit equivalents by jurisdiction. Half of the growth is expected to occur in Lafayette with Moraga accounting for 36.1% and Orinda for 13.9%.

**Table 6. Distribution of Growth in Dwelling Unit Equivalents by Jurisdictions**

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Single Family Growth (Dwelling Units)</th>
<th>Multi-Family Growth (Dwelling Units)</th>
<th>Employment Growth (Jobs)</th>
<th>Dwelling Unit Equivalents (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafayette</td>
<td>438</td>
<td>912</td>
<td>1,652</td>
<td>50.0%</td>
</tr>
<tr>
<td>Moraga</td>
<td>340</td>
<td>487</td>
<td>868</td>
<td>36.1%</td>
</tr>
<tr>
<td>Orinda</td>
<td>128</td>
<td>217</td>
<td>510</td>
<td>13.9%</td>
</tr>
<tr>
<td>All</td>
<td>906</td>
<td>1,616</td>
<td>3,030</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The project list for the 2015 LFFA Fee Program contains a wide range of transportation projects, many of which are new bicycle and pedestrian facilities. Since these improvements would benefit both existing and future residents, the portion of the total cost of all projects that is allocated to new development is equal to the development growth’s share of the total DUEs in 2040. Table 5 indicated that projected growth in DUEs represents 10.46% of the total estimated 2040 DUEs in Lamorinda.

Table 7 shows that the project list has about $238 million in costs that are eligible for the LFFA Fee Program. The full list of projects and the estimated cost of each is presented in an Appendix A. The new development’s share would be about $24.7 million or 10.46%. After subtracting the current account LFFA Fee Program balance as of July 1, 2014 of $267,265, the estimated cost per DUE is $7,269.
Table 7. Cost Per Dwelling Unit Equivalent

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>LFFA Eligible Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafayette</td>
<td>$99,340,600</td>
</tr>
<tr>
<td>Moraga</td>
<td>$52,553,800</td>
</tr>
<tr>
<td>Orinda</td>
<td>$86,267,800</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$238,162,200</strong></td>
</tr>
</tbody>
</table>

Cost Allocation to Growth

<table>
<thead>
<tr>
<th>Percent</th>
<th>Allocated Cost</th>
<th>Fee Balance</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.46%</td>
<td>$24,923,500</td>
<td>$267,265</td>
<td>$24,656,235</td>
</tr>
</tbody>
</table>

Cost per DUE

<table>
<thead>
<tr>
<th>DUE Growth</th>
<th>$3,392</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per DUE</td>
<td>$7,269</td>
</tr>
</tbody>
</table>

Table 8 shows the fee rates by land-use types (based on the DUE rates in Table 4) and compares those rates to current fee rates. The rates in Table 8 apply to all new residential units and any change in commercial floor area or other changes in non-residential land use that would create additional vehicle trips from the development.

Table 8. Updated Lamorinda Development Mitigation Fee Program Rates

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Units</th>
<th>Fee Rates</th>
<th>Change</th>
<th>Expected Fee Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>New Rates</td>
<td>Current Rates</td>
<td>Amount</td>
</tr>
<tr>
<td>Single-Family</td>
<td>Dwelling Units</td>
<td>$7,269</td>
<td>$6,461</td>
<td>$808</td>
</tr>
<tr>
<td>Multi-Family¹</td>
<td>$5,088</td>
<td>$4,031</td>
<td></td>
<td>$1,057</td>
</tr>
<tr>
<td>Multi-Family (TOD)²</td>
<td>$2,697</td>
<td>NA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>1000sq Ft</td>
<td>$7.78</td>
<td>$2.72</td>
<td>$5.06</td>
</tr>
<tr>
<td>Other</td>
<td>Daily Trips</td>
<td>$800</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$24,656,212</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$16,600,568</strong></td>
</tr>
</tbody>
</table>

¹ Multi-family also includes new second units constructed on parcels with existing single-family homes
² TOD – Transit Oriented Development
³ Estimates of “Expected Fee Revenue” were based on the unrestricted multi-family rate. Actual revenue may be somewhat lower depending on the amount of multi-family development that occurs in a Transit-Oriented Development.

The information describing how the new rates were estimated illustrates the importance of growth forecasts and updating project costs. The new rates are based on the expected growth between 2013 and 2040, an Expenditure Plan that uses 2014 cost estimates and an audited account balance on July 1, 2014. Any new developments for which fees are required that occur between 2013 and the date the rates in this nexus study are adopted would pay the prevailing rates. Because the new rates in Table 8 are based on
2014 costs, the rates should be updated annually to reflect changes in project construction costs as reflected in the Engineering News Record Construction Cost Index for the San Francisco Bay Area.

The nexus fees need to be consistent with the Mitigation Fee Act, including the amendment added by AB 3005 in 2008. This amendment applies to new housing that meets the following requirements for Transit-Oriented Development (TOD):

1. The housing development is located within one-half mile of a transit station and there is direct access between the housing development and the transit station along a barrier-free, walkable pathway not exceeding one-half mile in length.

2. Convenience retail uses, including a store that sells food, are located within one-half mile of the housing development.

3. The housing development provides either the minimum number of parking spaces required by the local ordinance, or no more than one onsite parking space for zero to two bedroom units, and two onsite parking spaces for three or more bedroom units, whichever is less.

Based on the definitions in AB 3500, multi-family housing development within one-half mile of the Orinda and Lafayette BART stations could meet these requirements. It is unlikely that single-family units within one-half mile of the BART stations would meet the third requirement above. For new housing development that meets all of these requirements, AB 3005 states the following:

“...the fee, or the portion thereof relating to vehicular traffic impacts, shall be set at a rate that reflects a lower rate of automobile trip generation associated with such housing developments in comparison with housing developments without these characteristics...”

The trip reduction for housing developments that meet all requirements of AB 3500 in Lamorinda is based on data in the study “Vehicle Trip Reduction Impacts of Transit-Oriented Housing” (Robert Cervero and G.B. Arrington, 2008). That study included data on five multi-family housing developments near BART stations in the Bay Area that appear to meet the AB 3500 requirement for a limited amount of parking spaces per unit. This study shows that those developments have an average 47 % reduction in daily vehicle trip rates for typical suburban multi-family housing units. Table 7 includes a reduced fee rate for multi-family TOD units that meet the requirements of AB 3500.
7 NEXUS ANALYSIS

This nexus analysis has been prepared on the Lamorinda Development Mitigation Fee Program in accordance with the procedural guidelines established in AB1600 which is codified in California Government Section 66000 et seq. These code sections set forth the procedural requirements for establishing and collecting various development impact fees. These procedures require that “a reasonable relationship or nexus must exit between a governmental exaction and the purpose of the condition.” Specifically, each local agency imposing a fee must:

- Identify the purpose of the fee;
- Identify how the fee is to be used;
- Determine how a reasonable relationship exists between the fee’s use and the type of development project on which the fee is imposed.
- Determine how a reasonable relationship exists between the need for the public facility and the type of development project on which the fee is imposed; and,
- Demonstrate a reasonable relationship between the amount of the fee and the cost of public facility or portion of the public facility attributable to the development on which the fee is imposed.

The purpose of the Lamorinda Development Mitigation Fee Program is to fund improvements to Lamorinda’s major roadway, transit, bicycle and pedestrian facilities needed to accommodate travel demand generated by new land development in Lamorinda over the next 27 years (through 2040).

The Lamorinda Development Mitigation Fee Program will help meet the General Plan policies of each jurisdiction including maintenance of adequate levels of service and safety for roadway facilities. New development in Lamorinda will increase the demand for all modes of travel (including walking, biking, transit, automobile and truck/goods movement) and thus the need for improvements to transportation facilities. The Lamorinda Development Mitigation Fee Program will help fund transportation facilities necessary to accommodate residential and non-residential development in Lamorinda.

7.1 Use of Fees

The fees from new development in Lamorinda will be used to fund additions and improvements to the transportation system needed to accommodate future travel demand resulting from residential and non-residential development. The Lamorinda Development Mitigation Program will help fund improvements to roadways (include the widening or extensions of arterial and collector roadways, intersection improvements and provision of shoulders and complete streets) bikeways and walkways plus fee program administration costs. The transportation improvements to be wholly or partially funded by the program are described in more detail in Section 4.

7.2 Relationship between use of Fees and Type of Development

Fee revenues generated by the Lamorinda Development Mitigation Fee Program will be used to develop the transportation improvements as outlined in Section 4. All of these improvements increase the capacity, improve the safety, or facilitate the use of alternative modes (transit, bicycle, pedestrian) on those segments of the transportation system affected by new development. The results of the transportation modeling analysis summarized in this report demonstrate that these improvements either mitigate impacts from and/or provide benefits to new development.
7.3 Relationship between Need for Facility and Type of Development

The projected residential and non-residential development described in Section 3 will add to the incremental need for transportation facilities by increasing the amount of demand on the transportation system. The transportation analysis presented in Section 4 demonstrates that improvements are required to minimize the negative impact on current levels of service caused by new development and/or accommodate the increased need for alternative transportation modes (transit, bicycle, pedestrian).

7.4 Relationship between Amount of Fees and the Cost of Facility Attributed to Development upon which Fee is Imposed

The basis for allocating improvement costs to development is described in Section 6. Construction of necessary transportation improvements will directly serve residential and non-residential development within Lamorinda and will directly benefit development in those areas.

As described in Section 7, the fee that a developer pays for a new residential unit or commercial building varies by the type of development based on its impact on the transportation system. Each development type is assigned a “dwelling unit equivalent” or “DUE” rate based on its estimated vehicle-miles of travel (VMT) per unit of development.

Since the improvements funded by the Lamorinda Development Mitigation Fee Program would benefit both existing and future residents, new development within the Lamorinda Development Mitigation fee program is allocated a percentage of costs based development growth’s share of the total DUEs in 2040.
8 ALLOCATION OF FEE REVENUE TO JURISDICTIONS

A new methodology has been developed to replace the existing methodology for calculating how much of the revenue from the LFFA Development Mitigation Fee Program is returned to each jurisdiction. The methodology is based on the premise that the fee revenues should be distributed to each jurisdiction in proportion to the amount of growth-generated vehicle miles of travel in Lamorinda that is likely to occur in that jurisdiction during the period for which the fee update is based - 2013 to 2040.

The share of growth-generated travel in each jurisdiction was estimated by using the CCTA Countywide Transportation Model. One run of the model was made for 2040 with the CCTA estimates of 2040 land use in all areas of the modeled area other than Lamorinda and the Lamorinda jurisdictions’ estimates of land use for Lamorinda. With this run, an estimate was made of all of the daily vehicular miles of travel on the non-freeway streets of each of the Lamorinda jurisdictions. SR 24 was not included in the analysis because no projects were included in the projects lists for the main lanes of the freeway. A second run of the model was then initiated keeping the 2040 land use everywhere except Lamorinda. Within Lamorinda the 2013 land-use data, as adjusted by the local staff, was used to represent the existing land use. The travel within Lamorinda from this run was designed to represent the existing traffic in Lamorinda plus the added travel from growth expected by 2040 outside of Lamorinda. The difference between these two estimates of “growth travel” was considered a good estimate of the growth travel for new development in Lamorinda between 2013 and 2040. The estimated shares of “growth travel” for the period 2013 to 2040 are as follows:

- Lafayette – 52.5%
- Moraga – 26.2%
- Orinda – 21.2%

These estimates indicate that of the new, non-freeway vehicular travel that will occur in Lamorinda as a result of development between 2013 and 2040, 52.2% will be on Lafayette streets, 26.2% will on Moraga streets and 21.2% of it will be on Orinda streets. In this allocation scheme, Moraga is a net exporter of travel - meaning that its percentage of growth travel (26.2%) is lower than its percentage of growth DUEs (36.1%). Moraga is a net exporter because many of the trips generated from growth in Moraga would also travel in or through either Lafayette or Orinda. As a result, both Lafayette and Orinda are net importers of travel. Lafayette would have 52.5% of the travel but only 50.2% of the growth in DUEs. Orinda would have 21.2% of the travel but only 13.9% of the growth in DUEs. Because the fee revenue distribution to each jurisdiction would be proportional to the share of growth traffic that is experienced by the road network in that jurisdiction, Moraga would also get less fee revenue than it is expected to generate. Both Lafayette and Orinda as net importers of growth in travel would receive a higher share of fee revenues than their own growth is expected to generate.

The existing allocation method for the Lamorinda Development Mitigation Fee Program has a two-step process. In the first step, each jurisdiction retains a local set-aside portion of the fees collected for development in their jurisdiction. The fixed percentages are as follows:

- Lafayette – 80% retained
- Moraga – 20% retained
- Orinda – 80% retained
The portion of the fee not retained locally goes into a regional pool and is then redistributed in a second step using the following percentage distribution:

- Lafayette – 55% of regional (non-local) funds
- Moraga – 10% of regional (non-local) funds
- Orinda – 35% of regional (non-local) funds

To remain somewhat consistent with the existing fee program and to ensure that there is an equitable allocation of revenues in case the future distribution of new development is different than that forecast, a two-step process has been retained in the proposed allocation methodology. This distinction between local share and regional share has been made so that jurisdictions receiving a higher than expected share of the development will get a higher share of the revenue. Another advantage of retaining a local share is that it gives each jurisdiction the ability to waive a portion of the fees (i.e. the local share) for new development that it is trying to encourage.

In the proposed methodology, the first step is again a local share that is retained by each jurisdiction. The local share kept by each jurisdiction was based on the percent of project cost for the jurisdiction that are considered “local” following the criteria laid out in Appendix B.

The above criteria yield the following local share percentages: Lafayette – 51.7%, Moraga - 56.7%, Orinda - 45.9%. When considering the entire project list from all three Lamorinda jurisdictions as a whole, the local share percentage is calculated to be 50.6%. Given the tight range of individual percentages, the jurisdictions have agreed to use 50% as the local share across the board in the allocation formula. Using a 50% local share is reasonable given the minor differences in the percentages.

The percentage of fees collected that is not considered as local will go into a regional pool of funds intended to fund interjurisdictional projects within Lamorinda. The proposed methodology for the reallocation of these regional funds is to do so such that the total amount of funds that each jurisdiction gets is in proportion to the jurisdiction’s proportion of “growth travel” assuming all development occurs as forecast by 2040. As previously defined, the “growth travel” is the percent of vehicle miles of travel experienced by the road network in a particular jurisdiction resulting from new development in Lamorinda by 2040. The percent of the regional fee revenues that are returned to each jurisdiction is also a function of the local shares agreed to. The formula for reallocation of the regional funds is designed to produce an overall distribution of fee revenues – local and regional – that is proportional to the percentage of “growth travel” in each jurisdiction if all of the development occurs as forecast. The formula for determining the shares for regional fund reallocation are provided in Appendix C to this memorandum. Because of the importance of forecasts of travel in the allocation of the LFFA Fee Program funds, it is again important that the fee program be updated on a regular basis.

With each jurisdiction retaining 50% of the fees collected from development within its boundaries as the local share, the allocation of regional funds would be as follows:

- Lafayette – 55.0% of interjurisdictional funds
- Moraga – 16.5% of interjurisdictional funds
- Orinda – 28.5% of interjurisdictional funds

If all of the development occurs as expected between 2013 and 2040, the total allocation of fee revenue to the jurisdictions (local retention and interjurisdictional reallocation) would be the same as the estimated share of “growth travel”: 
- Lafayette – 52.5%
- Moraga – 26.2%
- Orinda – 21.2%

The application of the local and regional shares for each individual jurisdiction based on the expected amount of new development is shown in Table 9.

**Table 9. Distribution of Fee Revenue for Expected Development – 2013 to 2040**

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>% of Total DUEs</th>
<th>Proposed Local Share</th>
<th>Proposed Share of Regional Pool</th>
<th>Local Share as % of Total Fee Revenue</th>
<th>Regional Share as % of Total Fee Revenue</th>
<th>Total Share of Revenue-Proposed</th>
<th>Total Share of Revenue-Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafayette</td>
<td>50.0%</td>
<td>50.0%</td>
<td>55.0%</td>
<td>25.0%</td>
<td>27.5%</td>
<td>52.5%</td>
<td>$12,944,511</td>
</tr>
<tr>
<td>Moraga</td>
<td>36.1%</td>
<td>50.0%</td>
<td>16.5%</td>
<td>18.1%</td>
<td>8.3%</td>
<td>26.3%</td>
<td>$ 6,484,584</td>
</tr>
<tr>
<td>Orinda</td>
<td>13.9%</td>
<td>50.0%</td>
<td>28.5%</td>
<td>7.0%</td>
<td>14.3%</td>
<td>21.2%</td>
<td>$ 5,227,117</td>
</tr>
<tr>
<td></td>
<td>100.0%</td>
<td>100.0%</td>
<td>50.0%</td>
<td>50.0%</td>
<td>100.0%</td>
<td>$24,656,212</td>
<td></td>
</tr>
</tbody>
</table>
Appendix A

Cost Estimated for Selected Projects in Lamorinda
<table>
<thead>
<tr>
<th>#</th>
<th>Item</th>
<th>Source</th>
<th>Description</th>
<th>Total Costs 2014$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Pedestrian, Bicycle and Transit Projects</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>EBMUD Aqueduct Public Crossings</td>
<td>EBMUD</td>
<td>Install multi-use pathway to provide an alternative mode east-west corridor parallel to Mt. Diablo Boulevard and SR 24 through downtown Lafayette.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phase 1 Segment 1 Risa Road to BART</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a  Risa Road Crossing</td>
<td></td>
<td></td>
<td>144,400</td>
</tr>
<tr>
<td></td>
<td>b  Private Drive Crossing</td>
<td></td>
<td></td>
<td>67,800</td>
</tr>
<tr>
<td></td>
<td>c  Dolores Drive Crossing</td>
<td></td>
<td></td>
<td>249,000</td>
</tr>
<tr>
<td></td>
<td>d  Happy Valley Road Crossing</td>
<td></td>
<td></td>
<td>1,238,100</td>
</tr>
<tr>
<td></td>
<td>Phase 1 Construction Subtotal</td>
<td></td>
<td></td>
<td>1,699,300</td>
</tr>
<tr>
<td></td>
<td>Phase 2 Segment 2 BART to Oak Hill Road</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>f  Oak Hill Road Crossing (option 3)</td>
<td></td>
<td></td>
<td>721,200</td>
</tr>
<tr>
<td></td>
<td>Phase 2 Construction Subtotal</td>
<td></td>
<td></td>
<td>721,200</td>
</tr>
<tr>
<td></td>
<td>Phase 3 Segment 3 Oak Hill Road to First Street and Segment 4 First Street to Brown Avenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>g  Oak Hill Road to First Street</td>
<td></td>
<td></td>
<td>274,100</td>
</tr>
<tr>
<td></td>
<td>h  First Street Crossing (options 3 and 4)</td>
<td></td>
<td></td>
<td>720,000</td>
</tr>
<tr>
<td></td>
<td>i  First Street to Brown Avenue</td>
<td></td>
<td></td>
<td>246,000</td>
</tr>
<tr>
<td></td>
<td>Phase 3 Construction Subtotal</td>
<td></td>
<td></td>
<td>1,240,100</td>
</tr>
<tr>
<td></td>
<td>Subtotal EBMUD Aqueduct Public Crossings Projects</td>
<td></td>
<td></td>
<td>3,660,600</td>
</tr>
<tr>
<td>2</td>
<td>Walkway Plan Projects</td>
<td>Master Walkways Plan</td>
<td>Complete network envisioned by master plan.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a  Pleasant Hill Road Corridor Complete Streets (Mt. Diablo Blvd. to Springhill Road/Quandt Road)</td>
<td></td>
<td></td>
<td>4,237,000</td>
</tr>
<tr>
<td></td>
<td>b  Moraga Rd.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c  Deer Hill Road</td>
<td></td>
<td>Both sides, Mt. Diablo Blvd. to Tanglewood Dr. (Old Mtn. View Drive west side) and Old Jonas Hill Rd. (east side).</td>
<td>250,000</td>
</tr>
<tr>
<td></td>
<td>d  Mt. Diablo Blvd. (gap closure 4,500 ft)</td>
<td></td>
<td>Both sides: Pleasant Hill Road to Acalanes Road</td>
<td>900,000</td>
</tr>
<tr>
<td></td>
<td>e  School Street</td>
<td></td>
<td>Moraga Rd.-Lafayette-Moraga Trail Connector</td>
<td>1,500,000</td>
</tr>
<tr>
<td></td>
<td>f  St. Mary’s Road</td>
<td></td>
<td>Acampo to Topper Lane</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>Subtotal Walkway Plan Project</td>
<td></td>
<td></td>
<td>7,737,000</td>
</tr>
<tr>
<td>3</td>
<td>Bicycle Plan Projects</td>
<td>Master Bikeways Plan</td>
<td>Complete network envisioned by master plan.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a  Class I Bike Paths</td>
<td></td>
<td>EBMUD Aqueduct, Hidden Valley - Acalanes Road connector, Buckeye Fields - Lafayette-Moraga Trail Connector, and Pleasant Hill Road Bike and Ped Projects ($11,134,000 in 2006$)</td>
<td>8,329,000</td>
</tr>
<tr>
<td></td>
<td>b  Class II Bike Lanes</td>
<td></td>
<td>Pleasant Hill Road Gap Connector ($191,000 in 2006 $)</td>
<td>246,000</td>
</tr>
<tr>
<td></td>
<td>c  Shared Lane Markings</td>
<td></td>
<td>Downtown Mt. Diablo Bypass Route, School Access Route ($726,000 in 2006 $)</td>
<td>934,000</td>
</tr>
<tr>
<td></td>
<td>d  Class III Bike Routes</td>
<td></td>
<td>RRS and IRR Moraga Boulevard and Mt. Diablo ($32,000 in 2006 $)</td>
<td>41,000</td>
</tr>
<tr>
<td></td>
<td>Subtotal Bicycle Plan Projects</td>
<td></td>
<td></td>
<td>9,550,000</td>
</tr>
<tr>
<td>4</td>
<td>Improve Lafayette-Moraga Trail Street Crossings</td>
<td>Lamorinda Action Plan</td>
<td>see page 6-6 of Bikeways Plan. St. Mary’s/Florence Xing in 2015 at $36K. Five at $40k remaining including School St./Topper</td>
<td>200,000</td>
</tr>
<tr>
<td>5</td>
<td>Satellite Employee &amp; Commuter Lots (from DSP) - 4 gateways to Downtown</td>
<td>Downtown Specific Plan/Lamorinda Traffic Improvement Program</td>
<td>Implement multi-modal traffic demand management measure to improve congested conditions through the downtown corridors.</td>
<td>1,000,000</td>
</tr>
<tr>
<td>6</td>
<td>Structural Improvements to Lafayette Principal Arterials</td>
<td>1998 Lamorinda Nexus Study</td>
<td>Correct degradation of roadway pavement and appurtenances resulting from increased vehicular loading and traffic index, including upgrades to meet current standards.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a  Pleasant Hill Road - City Limit to SR 24 (6.0 lane miles)</td>
<td></td>
<td></td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>b  Moraga Road - City Limit to Mt. Diablo Blvd (4.7 lane miles)</td>
<td></td>
<td></td>
<td>2,350,000</td>
</tr>
<tr>
<td></td>
<td>c  Mount Diablo Blvd - Happy Valley Rd to Brown Ave (3.6 lane Miles)</td>
<td></td>
<td></td>
<td>1,800,000</td>
</tr>
<tr>
<td></td>
<td>d  Mt. Diablo Blvd. - Acalanes to Happy Valley (7.0 lane mile)</td>
<td></td>
<td></td>
<td>3,500,000</td>
</tr>
<tr>
<td></td>
<td>e  Mt. Diablo Blvd. - Brown to PHR (3.9 lane miles)</td>
<td></td>
<td></td>
<td>1,950,000</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-------------</td>
<td>-------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>f</td>
<td>Acalanes Road - El Nido to City Limit (2.5 lane miles)</td>
<td>$1,250,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>g</td>
<td>Reliez Valley Road - Pleasant Hill Road to City Limit (4.6 lane miles)</td>
<td>$2,300,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>h</td>
<td>Reliez Station Road - Olympic Blvd to Glenside Drive (1.2 lane miles)</td>
<td>$600,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i</td>
<td>St. Mary's Road - City Limit to Moraga Road (5.6 lane miles)</td>
<td>$2,800,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>j</td>
<td>Deer Hill Road - Happy Valley Road to Pleasant Hill Rd (4.6 lane miles)</td>
<td>$2,300,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>k</td>
<td>Olympic Boulevard - Reliez Station Road to Pleasant Hill Rd (0.7 lane miles)</td>
<td>$350,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>l</td>
<td>Oak Hill Road - Mt. Diablo Blvd. to Deer Hill Road (1.0 lane mile)</td>
<td>$500,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>m</td>
<td>First St. - Mt. Diablo Blvd. to Deer Hill Road (.9 lane mile)</td>
<td>$450,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>n</td>
<td>Glenside Drive - Reliez Station Rd to St. Mary's Rd (1.25 lane miles)</td>
<td>$625,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o</td>
<td>Pleasant Hill Road - SR-24 to Olympic Blvd.</td>
<td>$1,650,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>p</td>
<td>El Nido Ranch Road, city limit to U.H.V. (1.5 lane miles)</td>
<td>$750,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal Structural Improvements to Lafayette Principal Arterials</strong></td>
<td><strong>$26,175,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 7 | Deer Hill Rd/Brown Ave | Homes on Deer Hill SEIR  
Signalize or roundabout | $1,000,000 |
| 8 | Mount Diablo Blvd/Oak Hill Rd/Lafayette Circle East | Downtown Specific Plan  
Restripe Oak Hill Road to provide four southbound lanes (2 LT, 1 TH, 1 RT) | $50,000 |
| 9 | Deer Hill Rd/First St | Downtown Specific Plan  
Widen Deer Hill Rd to add a second EB right-turn lane | $100,000 |
| 10 | Deer Hill Rd/SR-24 WB Ramps/Laurel Dr | Downtown Specific Plan  
Re-stripe Deer Hill Rd to add a third EB through lane | $50,000 |
| 11 | Glenside Dr/Reliez Station Rd | Olympic/RSR Corridor Traffic Study  
Signal | $300,000 |
| 12 | Reliez Station Rd/Olympic Blvd | Recommendations from Olympic-Reliez Station Corridor Study - Signal | $300,000 |
| 13 | Oak Hill Rd/SR-24 EB Off-Ramp | Downtown Specific Plan  
Signalize when warrants are met. Coordinate with EBMUD Aqueduct Pathway Study | $300,000 |
| 14 | 2020 Downtown Traffic Signal Upgrade | Downtown Corridor Signal Coordination Study | Upgrade and modernize signal controller and other hardware to improve traffic operations by allowing better traffic handling and management. | $2,800,000 |
| 15 | 2040 Downtown Traffic Signal Upgrade | 2040 Downtown Traffic Signal Upgrade | Upgrade signal timing and other operating parameters | $700,000 |
| 16 | 2020 Pleasant Hill Road Traffic Signal Upgrade | PHR Corridor Signal Coordination Study/Lamorinda Action Plan | Upgrade and modernize signal controller and other hardware to improve traffic operations by allowing better traffic handling and management. | $1,000,000 |
| 17 | 2040 Pleasant Hill Road Traffic Signal Upgrade | 2040 Pleasant Hill Road Traffic Signal Upgrade | Upgrade signal timing and other operating parameters | $250,000 |
| 18 | Downtown Circulation Improvements - Mt. Diablo Blvd, Oak Hill Rd and Moraga Road | Lafayette Master CIP  
Lamorinda Traffic Improvement Program | Improve regional traffic circulation through the downtown "Y" connecting to SR 24. Install modern roundabout to increase capacity. | $6,368,000 |
| 19 | Deer Hill Road and Oak Hill Road Intersection Capacity and Circulation Improvements | Olympic/RSR Corridor Traffic Study  
Install modern roundabout to increase capacity. |  
Install modern roundabout to increase capacity. | $1,500,000 |
| 20 | Pleasant Hill Road/Olympic Boulevard Intersection Improvements | Lamorinda Action Plan  
On-going PDA Planning Grant for Downtown Congestion Relie | $30,000,000 |
| 21 | Deer Hill/Happy Valley Rd Capacity and Safety Improvements | Downtown Specific Plan  
Install roundabout to increase capacity. | $1,500,000 |
| 22 | Downtown Bypass Study and Preliminary Engineering | Lamorinda Action Plan  
Hidden Valley Road, El Nido Ranch Road, Mt. Diablo Blvd., Pleasant Hill Road, Camino Diablo.  
Install modern roundabout to increase capacity. | $2,900,000 |
<p>|   | <strong>Subtotal Roadway Projects</strong> | <strong>$77,193,000</strong> |
|   | <strong>Grand Total for Lafayette Projects</strong> | <strong>$99,340,600</strong> |</p>
<table>
<thead>
<tr>
<th>#</th>
<th>Item</th>
<th>Source</th>
<th>Description</th>
<th>Total Costs 2014$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Canyon Road Bicycle improvements (County to Constance)</td>
<td>CIP-32</td>
<td>Implement recommendations from adopted 2004 Moraga Bicycle and Pedestrian Plan - improve bicycle facilities along Canyon Road</td>
<td>$ 570,000</td>
</tr>
<tr>
<td>2</td>
<td>Moraga Center Ped &amp; Bike Improvements</td>
<td>CIP-34</td>
<td>Construct new sidewalks and pedestrian path facilities to close critical gaps, install bike facilities and streetscape improvements along streets in Moraga Center Specific.</td>
<td>$ 810,000</td>
</tr>
<tr>
<td>3</td>
<td>Moraga Way Bicycle and Pedestrian Improvements</td>
<td>CIP-36</td>
<td>Implement recommendations from adopted 2004 Moraga Bicycle and Pedestrian Plan - improve bicycle and pedestrian facilities along Moraga Way</td>
<td>$ 106,000</td>
</tr>
<tr>
<td>4</td>
<td>Rheem Blvd Bike &amp; Pedestrian (Moraga Rd to St. Mary's Rd)</td>
<td>CIP-37</td>
<td>Implement recommendations from adopted 2004 Moraga Bicycle and Pedestrian Plan - Develop bicycle and pedestrian improvements west of St. Mary's Rd.</td>
<td>$ 259,000</td>
</tr>
<tr>
<td>5</td>
<td>Rheem Blvd Bike Route Improvements (Orinda to Moraga Rd)</td>
<td>CIP-38</td>
<td>Implement recommendations from adopted 2004 Moraga Bicycle and Pedestrian Plan - Improve striping and signage for bike route along Rheem Boulevard.</td>
<td>$ 44,000</td>
</tr>
<tr>
<td>6</td>
<td>Municipal Wayfinding Signage Program</td>
<td>CIP-49</td>
<td>Develop a comprehensive vehicular, pedestrian, bicycle wayfinding signage program.</td>
<td>$ 175,000</td>
</tr>
<tr>
<td>7</td>
<td>Livable Moraga Road - Corridor Plan and improvements</td>
<td>CIP-42</td>
<td>Improve bicycle, pedestrian, and vehicular safety and mobility along Moraga Road between the Moraga Center and Campolindo High School.</td>
<td>$ 10,086,000</td>
</tr>
<tr>
<td>8</td>
<td>Transit Center or Park and Ride Facilities</td>
<td>Moraga Center Specific Plan</td>
<td>Develop new transit center or park and ride facilities to meet the needs for current and future commuters.</td>
<td>$ 2,675,200</td>
</tr>
<tr>
<td></td>
<td>Subtotal Pedestrian, Bicycle and Transit Projects</td>
<td></td>
<td></td>
<td>$ 14,725,200</td>
</tr>
<tr>
<td>9</td>
<td>Rheem Boulevard Landslide Repair/Repaving</td>
<td>CIP-45</td>
<td>Repair the landslide below Rheem Boulevard between St. Mary's Road and Moraga Road, and repave as required.</td>
<td>$ 1,606,365</td>
</tr>
<tr>
<td>10</td>
<td>Rheem Blvd/St. Mary's and Bollinger/St. Mary's Road Roundabouts</td>
<td>CIP-50</td>
<td>Construct new roundabout at intersection of Rheem Boulevard and St. Mary's Road and relocate trail to create safer pedestrian and bicycle crossing.</td>
<td>$ 7,025,000</td>
</tr>
<tr>
<td>11</td>
<td>Signal Upgrades</td>
<td>2014 Asset Management Plan</td>
<td>Install new hardware and software to upgrade traffic signals at all major intersections</td>
<td>$ 3,660,000</td>
</tr>
<tr>
<td>12</td>
<td>Moraga Principal Arterials Structural Improvements</td>
<td>1998 Lomarinda Study</td>
<td>Pavement structural improvements to handle increased traffic loads on Moraga Rd., Moraga Way, Canyon Road, St. Mary's Road, Camino Pablo and Rheem Blvd. Cost based on per lane mile estimate of $570,240</td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Moraga Road</td>
<td></td>
<td></td>
<td>$ 2,782,771</td>
</tr>
<tr>
<td>b</td>
<td>Moraga Way</td>
<td></td>
<td></td>
<td>$ 610,157</td>
</tr>
<tr>
<td>c</td>
<td>St. Mary's Road</td>
<td></td>
<td></td>
<td>$ 838,253</td>
</tr>
<tr>
<td>d</td>
<td>Canyon Road</td>
<td></td>
<td></td>
<td>$ 1,180,397</td>
</tr>
<tr>
<td>e</td>
<td>Rheem Boulevard</td>
<td></td>
<td></td>
<td>$ 1,328,659</td>
</tr>
<tr>
<td>f</td>
<td>Camino Pablo</td>
<td></td>
<td></td>
<td>$ 969,408</td>
</tr>
<tr>
<td></td>
<td>Subtotal Structural Improvements</td>
<td></td>
<td></td>
<td>$ 7,709,645</td>
</tr>
<tr>
<td>13</td>
<td>Utilities Undergrounding</td>
<td>2002 General Plan; 1995 Underground Committee Priority Recommendations</td>
<td>Underground utilities to reduce the possibility of road closures from downed power lines or other damage to utilities equipment</td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Canyon Rd – North of Sanders Drive to Southern Town limits</td>
<td></td>
<td></td>
<td>$ 1,482,650</td>
</tr>
<tr>
<td>b</td>
<td>Moraga Rd – Alta Mesa to Country Club Dr</td>
<td></td>
<td></td>
<td>$ 1,144,000</td>
</tr>
<tr>
<td>c</td>
<td>Moraga Rd – Devin Dr to St. Mary's Rd</td>
<td></td>
<td></td>
<td>$ 2,993,900</td>
</tr>
<tr>
<td>d</td>
<td>Moraga Rd – Assot Dr to Devin Dr</td>
<td></td>
<td></td>
<td>$ 785,200</td>
</tr>
<tr>
<td>e</td>
<td>Moraga Rd – Northern Town limits to North of Hansen Ct</td>
<td></td>
<td></td>
<td>$ 2,160,600</td>
</tr>
<tr>
<td>f</td>
<td>St. Mary's Rd – East of Stafford Dr to Commons Park East Parking Lot</td>
<td></td>
<td></td>
<td>$ 2,040,350</td>
</tr>
<tr>
<td>g</td>
<td>St. Mary’s Rd – Town limits to Rheem Blvd</td>
<td></td>
<td></td>
<td>$ 1,166,750</td>
</tr>
<tr>
<td>h</td>
<td>Rheem Blvd – Western Town limits to 329 Rheem Blvd</td>
<td></td>
<td></td>
<td>$ 2,866,500</td>
</tr>
<tr>
<td>i</td>
<td>Rheem Blvd – Via Barcelona to St. Mary’s Rd</td>
<td></td>
<td></td>
<td>$ 3,187,600</td>
</tr>
<tr>
<td></td>
<td>Subtotal Utilities Undergrounding</td>
<td></td>
<td></td>
<td>$ 17,828,560</td>
</tr>
<tr>
<td></td>
<td>Subtotal Roadway Projects</td>
<td></td>
<td></td>
<td>$ 37,828,560</td>
</tr>
<tr>
<td></td>
<td>GRAND TOTAL for Moraga Projects</td>
<td></td>
<td></td>
<td>$ 52,553,760</td>
</tr>
</tbody>
</table>
## Pedestrian, Bicycle and Transit Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Item</th>
<th>Source</th>
<th>Description</th>
<th>Total Costs 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Improve Pedestrian Access at Bus Stops</td>
<td>1998 Fee Program</td>
<td>Sidewalks and trails improvements</td>
<td>$38,208</td>
</tr>
<tr>
<td>2</td>
<td>Bicycle Safety Improvements - Crossroads</td>
<td>1998 Fee Program</td>
<td>Bicycle Safety Improvements</td>
<td>$103,480</td>
</tr>
<tr>
<td>3</td>
<td>Miner Road Pedestrian Bridge</td>
<td>CIP</td>
<td>Construct new Ped. Bridge over San Pablo Creek at Miner Rd.</td>
<td>$185,000</td>
</tr>
<tr>
<td>4</td>
<td>Camino Pablo Pathway Rehabilitation</td>
<td>CIP</td>
<td>Rehabilitate existing Ped. Path along Camino Pablo from Miner Rd. to Bear Creek Rd.</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>5</td>
<td>School Safety Improvements - Projects</td>
<td>CIP</td>
<td>Misc. projects to provide safe access to schools</td>
<td>$75,600</td>
</tr>
<tr>
<td>6</td>
<td>Annual Bicycle, Trails and Walkway Program</td>
<td>CIP</td>
<td>Projects from the Bikeways, Trails and Walkways Plan</td>
<td>$242,014</td>
</tr>
<tr>
<td>7</td>
<td>Miner Road Widening for bicycle route/pedestrian use</td>
<td>CIP</td>
<td>Widen shoulders to accommodate bicycles and pedestrians</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>8</td>
<td>Glorieta Blvd Bike Route – more pavement width for bicycles to travel to Lafayette, incorporate other safety improvements as well</td>
<td>CIP</td>
<td>More pavement width for bicycles to travel to Lafayette, incorporate other safety improvements as well</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>9</td>
<td>Ivy Drive Sidewalk entire length one side</td>
<td>CIP</td>
<td>Provide sidewalk</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>10</td>
<td>Coral Drive Sidewalk entire length one side</td>
<td>CIP</td>
<td>Provide sidewalk</td>
<td>$500,000</td>
</tr>
<tr>
<td>11</td>
<td>Camino Sobrante walkway from Orinda Way to Lake Cascade</td>
<td>CIP</td>
<td>Provide sidewalk or roadway widening</td>
<td>$750,000</td>
</tr>
<tr>
<td>12</td>
<td>Brookwood Road walkway west of Camino Pablo</td>
<td>CIP</td>
<td>Provide sidewalk or roadway widening</td>
<td>$750,000</td>
</tr>
<tr>
<td>13</td>
<td>Don Gabriel walkway from La Cresta to Valley View near Del Ray Elementary</td>
<td>CIP</td>
<td>Provide sidewalk or roadway widening</td>
<td>$150,000</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal Pedestrian, Bicycle and Transit Projects</strong></td>
<td></td>
<td></td>
<td><strong>$8,794,302</strong></td>
</tr>
</tbody>
</table>

## Roadway Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Item</th>
<th>Source</th>
<th>Description</th>
<th>Total Costs 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Signal Coordination</td>
<td>1998 Lamorinda Nexus</td>
<td>Traffic Signal Improvements on Camino Pablo and Moraga Way</td>
<td>$63,680</td>
</tr>
<tr>
<td>15</td>
<td>Happy Valley Road Safety Improvements</td>
<td>1998 Lamorinda Nexus</td>
<td>Install guard rail and slide stabilization</td>
<td>$955,200</td>
</tr>
<tr>
<td>16</td>
<td>Santa Maria 3rd WB Lane at Camino Pablo</td>
<td>1998 Lamorinda Nexus</td>
<td>Reconfigure to three lanes for westbound Santa Maria</td>
<td>$241,984</td>
</tr>
<tr>
<td>18</td>
<td>Moraga Way/Stein Way intersection improvements – currently an unfunded CIP project – already on the old list</td>
<td>CIP</td>
<td>Install traffic signal and turn lanes from Moraga Way</td>
<td>$750,000</td>
</tr>
<tr>
<td>19</td>
<td>Rheim Blvd/Glorieta Blvd intersection improvements – currently an unfunded CIP project – on the list of potential intersections</td>
<td>CIP</td>
<td>Install traffic signal and turn lanes</td>
<td>$500,000</td>
</tr>
<tr>
<td>20</td>
<td>Moraga Ways/Camino Enchass signage/signal improvements – been recently discussed by the public, looking for better directional signage for vehicles on northbound Moraga Way approaching downtown trying to get to Hwy 24 EB on-ramp on Bryant.</td>
<td>CIP</td>
<td>Signage/signal improvements for better directional signage for vehicles on northbound Moraga Way</td>
<td>$750,000</td>
</tr>
<tr>
<td>21</td>
<td>Downtown wayfinding signage from Theatre Square to Orinda Village</td>
<td>CIP</td>
<td>Provide directional signage</td>
<td>$200,000</td>
</tr>
<tr>
<td>22</td>
<td>Miner Road Bridge retrofit/replacement – more local matching funds</td>
<td>CIP</td>
<td>Replace existing bridge over San Pablo Creek</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>23</td>
<td>Direct Connection from Moraga Way and Camino Pablo to Eastbound SR 24</td>
<td>Action Plan</td>
<td>Reconfigure the existing SR 24/Camino Pablo interchange</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>24</td>
<td>Auxiliary lane on eastbound SR-24 Gateway on-ramp to Brookwood and continue completion of improvements to eastbound Brookwood off ramp</td>
<td>Action Plan</td>
<td>Construct additional eastbound lane</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>25</td>
<td>Undergrounding Utilities and Replace Piping on Moraga Way and Camino Pablo</td>
<td>Action Plan</td>
<td>Bury existing overhead utilities</td>
<td>$12,500,000</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal Roadway Projects</strong></td>
<td></td>
<td></td>
<td><strong>$77,673,544</strong></td>
</tr>
</tbody>
</table>

## Grand Total for Orinda Project

| |                                                                                       |                  |                                                                             | **$86,267,846**  |
Appendix B
Decision Criteria for Determining the Local Share of Fee Program Projects
## Appendix B  Decision Criteria for Determining the Local Share of Fee Program Projects

<table>
<thead>
<tr>
<th>Project would improve the vehicular capacity or quality of service on a major arterial</th>
<th>Project is on a Route of Regional Significance or an Interjurisdictional Route</th>
<th>Yes 40%</th>
<th>No 60%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>Project would improve multi-modal access to a PDA or BART Station</td>
<td>Yes 60%</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Project would reduce vehicular demand on a major arterial by improving transit, bicycle or pedestrian opportunities</td>
<td>Yes 75%</td>
<td>No 100%</td>
</tr>
</tbody>
</table>

Percentages to the far right indicate percent of project costs considered to be local based on responses to the criteria for that project.
Appendix C
Formula to Calculate Regional Allocation Percentages
# Appendix C - Formula to Calculate Regional Allocation Percentages

<table>
<thead>
<tr>
<th>Expected Fees Returned to City&lt;sub&gt;i&lt;/sub&gt;</th>
<th>Local Share of Fees Collected in City&lt;sub&gt;i&lt;/sub&gt;</th>
<th>City&lt;sub&gt;i&lt;/sub&gt; Share of Regional (Non-Local) Fees</th>
<th>Sum of Fees Not Local</th>
</tr>
</thead>
</table>

\[
\text{TF*PGT}_i = \text{LS}_i * \text{TF*PDUE}_i + \text{SR}_i * \sum ((1 - \text{LS}_i) * \text{TF*PDUE}_i)
\]

\[
\text{TF*PGT}_i - \text{LS}_i * \text{TF*PDUE}_i = \text{SR}_i * \sum ((1 - \text{LS}_i) * \text{TF*PDUE}_i)
\]

\[
\text{PGT}_i - \text{LS}_i * \text{PDUE}_i = \text{SR}_i * \sum ((1 - \text{LS}_i) * \text{PDUE}_i)
\]

\[
\text{SR}_i = \text{Share of Regional (Non-Local) Fees Returned to City}_i
\]

\[
\text{TF} = \text{Total Fees Collected}
\]

\[
\text{PGT}_i = \text{Percent of Lamorinda Growth Travel (VMT) in City}_i
\]

\[
\text{LS}_i = \text{Share of Transportation Project Costs in City}_i \text{ that are kept as Local}
\]

\[
\text{PDUE}_i = \text{Percent of Lamorinda Growth DUEs in City}_i
\]

\[
\text{DUEs} = \text{Dwelling Unit Equivalents}
\]
ATTACHMENT 3

Original JPA (red-lined)
JOINT EXERCISE OF POWERS AGREEMENT

BY AND AMONG

THE CITY OF LAFAYETTE,
THE CITY OF ORINDA AND
THE TOWN OF MORAGA

RELATING TO THE

LAMORINDA FEE

AND FINANCING AUTHORITY
THIS AGREEMENT, dated __________ by and among the CITY OF LAFAYETTE ("Lafayette"), a municipal corporation duly organized and existing under the laws of the State of California, the CITY OF ORINDA ("Orinda"), a municipal corporation duly organized and existing under the laws of the State of California and the TOWN OF MORAGA ("Moraga," and together with the other cities and towns, the "Cities"), a municipal corporation duly organized and existing under the laws of the State of California.

WITNESSETH:

WHEREAS, Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California authorizes the Cities to create a joint exercise of powers entity which has the power to jointly exercise the powers common to the Cities,

WHEREAS, the Cities are each empowered by law to undertake certain Projects and Programs;

WHEREAS, by this Agreement, the Cities desire to create and establish the Lamorinda Fee and Financing Authority in order (i) to implement the requirements of the Growth Management Program element of the Measure C Sales Tax Program to establish a development mitigation program to ensure that new growth is paying its share of the costs associated with such growth; and (ii) for the purposes set forth herein and to exercise the powers described herein;

NOW, THEREFORE, the Cities, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:
SECTION 1
DEFINITIONS

Unless the context otherwise requires, the terms defined in this Section 1 shall for all purposes of this Agreement have the meanings herein specified:

"Authority" means the Lamorinda Fee and Financing Authority created by this Agreement. "Board" means the governing board of the Authority.

"City" and "Cities", individually and collectively respectively, means the City of Lafayette, the City of Orinda and the Town of Moraga, each an existing municipal corporation under the laws of the State of California.

"City Project" means new projects not on the Expenditure Plan, which are added by a City in accordance with the procedure set forth in Attachment 2, paragraph B hereof.

"County" and "Contra Costa County" means the County of Contra Costa, a legal subdivision and body corporate and politic duly existing under the laws of the State of California.

"Expenditure Plan" means the list of Projects which is included in Attachment 2 hereof.

"Lamorinda" means the Lafayette-Orinda-Moraga area, including the territories of the Cities and the unincorporated portions of the Contra Costa County, the boundaries of which are generally coterminous with the boundaries of the Contra Costa Transportation Authority's Southwest Area Transportation Committee, excluding Danville, San Ramon and surrounding unincorporated areas.
"Lamorinda Project Management Committee" or "LPMC" means the transportation planning committee, consisting of one elected official from each of the Cities and organized for the purpose of collectively planning for transportation programs and projects within Lamorinda.

"Law" means Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (Sections 6500-6599).

"Measure C Sales Tax Program" is the one half cent sales tax and program of projects and programs approved by the voters of the County in November, 1988 and contained in the Measure C Expenditure Plan and Ordinance.

“"Measure J Sales Tax Program" is the one half cent sales tax and program of projects and programs approved by the voters of the County in November, 2004 and contained in the Measure J Expenditure Plan and Ordinance.

"Program" means the program of development fees to be adopted by the Cities for the purpose of funding the Projects.

"Projects" means the list of projects identified in the Expenditure Plan which is included in Attachment 2, as such Expenditure Plan list of Projects may be amended from time to time in accordance with this Agreement and Attachment 2 hereof.

"SWAT" means the Southwest Area Transportation Committee which is the designated Contra Costa Transportation Authority Regional Transportation Planning Committee for the cities of Lafayette, Orinda, Moraga, Danville and San Ramon and the unincorporated portion of the County within its southwest region.

SECTION 2
PURPOSE

This Agreement is made pursuant to the Law for the purposes set forth below.
A. Establish Development Fee Program. To establish a development fee program within Lamorinda as more fully set forth in Attachment 1 to this Agreement, which attachment is incorporated by this reference as if fully set forth herein, and to coordinate planning and implementation of the Program within a single public agency.

B. Identify Projects. To identity Projects to be funded by the development fee solely or in conjunction with other funding sources as more fully set forth in Attachment 2 to this Agreement, which attachment is incorporated by this reference as if fully set forth herein.

C. Establish Funding Goals. To establish funding goals for identified Projects and to seek commitments from the parties to this Agreement regarding funding for the Projects as more fully set forth in Attachment 2.

D. Establish Funding Schedule. To establish a funding schedule for projects as more fully set forth in Attachment 2.

E. Establish Fee Schedule and Mechanisms. To establish fee collection, financing and management mechanisms and to formalize institutional arrangements for the funding of the Program as more fully set forth herein and in Attachment 1.

F. Exercise Powers. To exercise all the powers described in Section 5 herein.

SECTION 3
TERM, TERMINATION AND WITHDRAWAL

A. Effective Date, Term and Termination. This Agreement shall become effective as of the date hereof and shall continue in full force until terminated by a supplemental agreement of the parties hereto, provided that in no event shall the Agreement terminate while any payments are due by any City to the Authority. The Notwithstanding
the foregoing notwithstanding, the Agreement shall terminate not later than the termination date of the Measure C Sales Tax Program (March 31, 2009), including any addition, extension or replacement that may be adopted from time to time or the date of termination of any extension of or replacement for such Measure C Sales Tax Program.

B. Withdrawal. A party may withdraw from the Authority, provided it gives written notice of its intention to withdraw to the Authority and to the other parties not later than March 1 of such year. If given in a timely manner, the withdrawal shall be effective as of the end of the fiscal year in which such notice is given. The decision of a party to withdraw shall be made by that party in accordance with its own rules and procedures. The notice of withdrawal shall be in resolution form and shall be approved and adopted by the governing body of the withdrawing party. If the notice of withdrawal is not given in accordance with the provisions of Section 19 hereof on or before March 1 of the fiscal year, the withdrawal shall be effective as of the end of the next fiscal year. The withdrawing party shall continue to be responsible for any cost or charge assumed or incurred by the party arising from its being a party to the Agreement, up to and including the effective date of its withdrawal.

SECTION 4
THE AUTHORITY

A. Creation of Authority. There is hereby created pursuant to the Law an agency and public entity to be known as the "Lamorinda Fee and Financing Authority". As provided in the Law, the Authority shall be a public entity separate from the Cities. The debts, liabilities and obligations of the Authority shall not constitute the debts, liabilities or obligations of the Cities. Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement and any amendment hereof to be prepared and filed with the office of the Secretary of State of the State of California in the manner set forth in Section 6503.5 of the Law.

B. Governing Board. The Authority shall be administered by the Board, whose members shall be elected council members from the Cities. Each party shall have one representative
on the Board. Each Board Member shall be appointed by the governing body of the party which such member represents. Members of the Board shall serve at the pleasure of their respective governing bodies, provided that, in any event, the term of office as a member of the Board of any Board member shall terminate when such member shall cease to be an elected official of the governing body of the party which such member represents. Each City may also appoint an Alternate Board Member from among its members to serve in the event of the unavailability of the Board Member.

C. **Board Compensation; Reimbursement of Expenses.** Members of the Board shall not receive any compensation for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board shall determine that such expense shall be reimbursed and there are unencumbered funds available for such purpose.

D. **Staff Support.** If requested by the Authority, a City will provide staff to support the activities of the Authority, the costs of such staff to be reimbursed by the Authority from its funds, or by pro rata assessment of each member.

E. **Technical Advisory Committee.** The Authority shall establish a Technical Advisory Committee to be comprised of one staff member from each member and such other participants as shall be determined by the Authority to be advisable or necessary. The Technical Advisory Committee shall provide technical assistance, review and oversight on an advisory basis, of the Authority's Program and Projects.

F. **Meetings of Board.**

(1) **Regular and Special Meetings.** The Board shall hold a regular meeting on the first Monday of each of April and October, and, by resolution, may provide for the holding of regular meetings at more frequent intervals; provided that if the Chair determines that there will be no business to transact at such meeting, such meeting may be canceled. The hour and place at which each such regular
meeting shall be held shall be fixed by resolution of the Board. Special or emergency meetings may be called, noticed, held and conducted as set forth in (2) below, in the event that a matter arises which requires action by the Board prior to the next scheduled regular meeting of the Board.

(2) **Legal Notice.** All meetings of the Board shall be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (Sections 54950-54961)) or any successor legislation hereinafter enacted.

(3) Minutes. The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the clerk of the governing body of each of the Cities.

(4) Quorum. All regular Board Members (excluding ex officio Members) of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time.

G. **Officers: Duties: Bonding.**

(1) **Chair.** The Board members shall select from the members a Chair who shall serve as Chair of the Authority. The Chair shall have the duties set forth in the by-laws of the Authority.

(2) **Secretary.** The Secretary of the Authority shall be designated by the Board and shall be a member of the staff of one of the Cities. The Secretary shall keep the records of the Authority, shall act as Secretary at the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office.
(3) Treasurer. The Town City Manager of the Town of Moraga City of Lafayette, or his or her designee, is hereby designated as Treasurer of the Authority. Such designation may be amended without amendment of this Agreement by unanimous approval of the Board. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Treasurer is designated as the depository of the Authority to have custody of all the money received by the Authority, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Law.

(4) Auditor Controller. The Town City Manager of the Town of Moraga City of Lafayette, or his or her designee, who performs the functions of auditor and/or controller for the Town of Moraga is hereby designated as Controller of the Authority, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Law. Such designation may be amended without amendment of this Agreement by unanimous approval of the Board. The Controller shall draw checks to pay demands against the Authority when the demands have been approved by the Authority.

(5) Reimbursement. The Town of Moraga City of Lafayette, or such alternative City or Cities as may be designated by the Board, shall be reimbursed upon approval of the Board of charges to be made against the Authority for the services of the Treasurer and Auditor Controller.

(6) Duties of the Treasurer and Auditor Controller; Filing of Official Bond. The Treasurer and Auditor Controller of the Authority are designated as the public officers or persons who have charge of, handle, or have access to any property of the Authority, and each such officer shall file an official bond in the amount each such officer determines is necessary as required by Section 6505.1 of the Law; provided, that such bond shall not be required if the Authority does not possess or own property or funds with an aggregate value of greater than $1,500.00.
(7) **Special Audit.** The Treasurer and Auditor-Controller of the Authority are hereby authorized and directed to prepare or cause to be prepared: (a) a special audit as required pursuant to Section 6505 of the Law every year during the term of this Agreement; and (b) a report in writing on the first day of February, May, August and November of each year to each member of the Board and to the clerk of the governing body of each of the Cities, which report shall describe the amount of money held by the Treasurer and Controller of the Authority for the Board, the amount of receipts since the last such report, and the amount paid out since the last such report.

(8) **Other Officers, Counsel, Consultants and Accountants.** The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

**SECTION 5**

**POWERS**

A. **Powers of the Authority.** The Authority shall have all of the powers granted to joint powers authorities in Article 1 of the Law. Additionally, the Authority is authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes, including but not limited to any or all of the following: to make and enter into contracts; to employ agents and employees; and to sue and be sued in its own name.

B. **Restrictions on Exercise of Powers of the Authority.** Except as otherwise provided herein, such power shall be exercised subject only to such restrictions upon the manner of exercising such power as are imposed upon the Cities in the exercise of similar powers, as provided in Section 6509 of the Law. The parties hereto agree that the Authority shall not have and shall not exercise the power of eminent domain.

C. **Additional Powers.** Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Law, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2 hereof.
SECTION 6

TERMINATION OF POWERS

The Authority shall continue to exercise the powers herein conferred upon it until the termination of this Agreement or until the Cities shall have rescinded this Agreement in accordance with the provisions hereof.

SECTION 7

FISCAL YEAR

Unless and until changed by resolution of the Board, the fiscal year of the Authority shall be the period from July 1 of each year to and including the following June 30, except for the first fiscal year which shall be the period from the date of this Agreement to the following June 30.

SECTION 8

DISPOSITION OF ASSETS

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 6 hereof, all assets of the Authority shall be distributed to the parties, subject to Section 9 hereof, pro rata, in accordance with their respective total contribution of development fees and other funds to the Authority.

SECTION 9

CONTRIBUTIONS AND ADVANCES

A. Funds Contributions. Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by the Cities for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance shall be made subject to
repayment, and shall be repaid, in the manner agreed upon by the City, as the case may be, and the Authority at the time of making such advance. It is mutually understood and agreed that, except as otherwise expressly provided in this Agreement, no City has any obligation to make advances or contributions to the Authority to provide for the costs and expenses of administration of the Authority, even though any may do so. The Cities may allow the use of personnel, equipment or property in lieu of other contributions or advances to the Authority.

B. Reimbursement of Project Costs. Fees imposed in accordance with this Agreement, received by any City and payable to the Project sponsor for any Authority Project shall be retained by the City in accordance with applicable provisions of the law. The fee setaside amount provided for in Attachment 1, paragraph 1 L shall be deposited in a separate segregated account which shall be limited to the proceeds of such setaside amount. The funds in such account may be used by the City only to fund projects which are included for such City in the Expenditure Plan in Attachment 2 and City Projects added to the Expenditure Plan in accordance with Attachment 2, paragraph B. Any fees collected in excess of such fee setaside amount shall be promptly, but in no event later than thirty (30) days following receipt by the City, forwarded to the Authority to the attention of the Treasurer/Auditor/Controller.

SECTION 10

AGREEMENT NOT EXCLUSIVE

This Agreement shall not be exclusive and shall not be deemed to amend or alter the terms of other agreements between the Cities, or any two or more of them, related to the subject matter hereof, except as the terms of this Agreement shall conflict therewith, in which case the terms of this Agreement shall prevail.
SECTION 11
ACCOUNTS AND REPORTS

A. Establishment of Accounts; and Maintenance and Inspection of Books and Records. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times by the Cities, their representatives and to members of the public in accordance with applicable law. The Authority shall give an audited written report of all financial activities for each fiscal year to the Cities within twelve (12) months after the close of each fiscal year.

B. Retention of Independent Certified Public Accountant. To the extent required by Section 6505.6 of the Law, the Controller of the Authority shall contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority in compliance with Section 6505.6 of the Law. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of an account and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with the Cities and, if required by Section 6505.6 of the Law, with the County Auditor/Controller of the Contra Costa County. Such report shall be filed within twelve (12) months of the end of the fiscal year or years under examination.

C. Audit Costs. Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants, in making an audit pursuant to this Section shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for the purpose.

D. Two-Year Audit. In any year the Authority may, by unanimous request of the Board, replace the annual special audit with an audit covering a two year period.

E. Member Reports. Each of the Cities shall prepare and submit to the Authority not
later than 90 days following the last day of each fiscal year of such City, a report of all fees received pursuant to this Agreement during the preceding fiscal year and retained by it in accordance with Section 9 hereof. The form and detailed contents of such reports shall be as determined by the Authority in accordance with the foregoing authorization.

SECTION 12
CONFLICT OF INTEREST CODE

The Authority shall adopt and from time to time may amend a Conflict of Interest Code as required by applicable law.

SECTION 13
BREACH

If default shall be made by any City in any covenant contained in this Agreement, such default shall not excuse the City from fulfilling its obligations under this Agreement and the Cities shall continue to be liable for the payment of contributions and the performance of all conditions herein contained. The Cities hereby declare that this Agreement is entered into for the benefit of the Authority created hereby and the Cities hereby grant to the Authority the right to enforce by whatever lawful means the Authority deems appropriate all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right of the Authority shall not impair the right of the Authority to any or all other remedies.
SECTION 14
LIABILITY AND INDEMNIFICATION

A. Authority Indemnification. The Authority shall indemnify, defend and hold harmless each of the Cities and their respective officers, agents and employees, from any liability imposed for injury or damages occurring by reason of anything done or omitted to be done by the Authority under this Agreement or in conjunction with any obligation, responsibility or duty delegated to or assumed by the Authority under this Agreement. As described in C below, the Authority shall bear all expenses and costs and shall pay all settlements or final judgments arising out of any claim, action, or proceeding arising out of any obligation, responsibility or duty delegated to or assumed by the Authority under this Agreement, including the costs of defense as incurred.

B. City Indemnification. Each City shall indemnify, defend and hold harmless the Authority and the other Cities, and their respective officers, agents and employees, from any liability imposed for injury or damages occurring by reason of anything done or omitted to be done by such indemnifying City under this Agreement or in conjunction with any obligation, responsibility or duty delegated to or assumed by such indemnifying City under this Agreement, including any challenge to the validity of a City Project added by the City to the Expenditure Plan. As described in C below, each such indemnifying City shall bear all expenses and costs and shall pay all settlements or final judgments arising out of any claim, action, or proceeding rising out of any obligation, responsibility or duty delegated to or assumed by such indemnifying City under this Agreement, including the costs of defense.

C. Costs and Expenses. The indemnifying party shall bear all expenses, costs and shall pay all settlements or final judgments arising out of any claim, action or proceeding involving the injury to and/or death of any person or damages to or any loss of any property arising from any indemnification obligation of the indemnifying party under A or B above, including the costs of defense and settlement. Should a claim, action or
proceeding of any nature be brought at any time against a party entitled to indemnification pursuant to A or B above, asserting liability on the part of the such party for such injury, death, damage or loss, the party entitled to such indemnification shall promptly provide notice to the indemnifying party of such claim, action or proceeding and shall tender the defense of such claim, action or proceeding to the indemnifying party which shall thereafter provide all such defense, indemnity and protections as are necessary under the provisions of this Agreement. The party entitled to indemnification shall provide such additional information or assistance as is reasonably requested by the indemnifying party to assist in the defense, prosecution or settlement of any such claim, action or proceeding. The indemnifying party may engage counsel of its choice to defend the indemnified party subject to the indemnified party's consent, such consent not to be unreasonably withheld.
SECTION 15
SEVERABILITY

Should any part, term, or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

SECTION 16
SUCCESSORS: ASSIGNMENT

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, no party may assign any right or obligation hereunder without the consent of the other parties.

SECTION 17
AMENDMENT OF AGREEMENT

This Agreement, including Attachments 1 and 2, may be amended by supplemental agreement executed by each of the Cities at any time; provided however that no such amendment shall be entered into if such amended would conflict with the provisions of any bonds (as defined by Section 6585(c) of the Law), indenture, trust agreement, contract or other agreement securing or relating to any outstanding bonds of the Authority issued pursuant to the Law; and, provided further that the Expenditure Plan which is included in Attachment may also be amended to add new City Projects in accordance with the provisions of Attachment 2 hereof.

SECTION 18
FORM OF APPROVALS

Whenever an approval is required in this Agreement, unless the context specifies otherwise it shall be given, in the case of any City, by resolution duly and regularly adopted by the city or town council of the City, and, in the case of the Authority, by
resolution duly and regularly adopted by the Board. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

SECTION 19
NOTICES

Notices to a City hereunder shall be sufficient and effective upon delivery to the City Clerk. Notices to the Authority shall be sufficient upon delivery to the Secretary of the Authority.

SECTION 20
SECTION HEADINGS

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF LAFAYETTE

By:

Attest:
City Clerk

CITY OF ORINDA

By:

Attest:
City Clerk

TOWN OF MORAGA
By:

Attest:
Town Clerk
ATTACHMENT 1 to
Lamorinda Fee and Financing Authority
Joint Exercise of Powers Agreement

IMPLEMENTATION OF DEVELOPMENT MITIGATION FEE PROGRAM

1. Imposition and Modification of Fees; Credit for Existing Congestion Mitigation and Similar Fees used to fund Projects, and Fee Setaside.

A. Each party shall adopt the Lamorinda Transportation Development Fee Program (each fee individually a "Fee" and all such fees, the "Fees"), identifying fees to be charged and the list of projects to be funded with the Fees (individually, a "Project" and collectively, the "Projects."), on or before May 15, 1998; provided, that the Fee is not required to be applied to any project which has a fully executed development agreement on or before July 1, 1998 [reserved].

B. Initial Fees shall be as follows, established in the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program—and as may be updated and unanimously adopted by the parties from time to time:

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Fee Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>$3,795 per dwelling unit</td>
</tr>
<tr>
<td>Multi-family</td>
<td>$2,367 per dwelling unit</td>
</tr>
<tr>
<td>College/University</td>
<td>$902 per student</td>
</tr>
<tr>
<td>Commercial&quot;</td>
<td>$1.60 per square foot</td>
</tr>
<tr>
<td>Cost per peak hour trip end</td>
<td>$3,757</td>
</tr>
</tbody>
</table>
This category covers new students at four-year college/university. It is not equivalent to group housing (college dormitories), which usually involve special circumstances that require a project-specific traffic impact analysis. The fee amounts shown here is based on a trip generation rate that reflects the national average (TTE Trip Generators, 5th Edition, page 804).

2/ Includes but is not limited to retail, office and other commercial uses.

3/ A "trip end" is one trip from origin to destination. A round trip would constitute two trip ends. Any proposed land use which does not fit into one of the categories preceding this

C. No party may adjust the above Fee structure without the consent of the other parties after a comprehensive review by all of the members with respect to equity and the impact of any such proposed adjustment on the Projects to be funded with the Fees.

D. Reimbursement of a party for funds advanced shall, as provided in Section 9, not include any interest on the amount due.

E. Fee rates have been calculated and may be adjusted as set forth herein, based on the average of AM and PM peak hour trips and land use categories and, except as otherwise provided herein, shall be uniformly adopted by the parties.

F. Fees may be updated and adjusted unanimously by the parties if needed not less frequently than every five years, in order to take into account changes in cost estimates for the Projects, development rates within Lamorinda, Project priorities and other funding commitments, in accordance with the California Mitigation Fee Act, AB 1600. The Authority shall prepare, circulate and approve by unanimous vote of the Members of the Governing Board within six (6) months of the effective date of its organization, a Strategic Plan which provides an overview of Project status, the level of plan development, projected revenues accounting for inflation and projected expenditures over a ten (10) year period. Not less frequently than every five years, the Authority shall prepare, circulate and adopt by unanimous vote of the Governing Board, a Strategic Plan update, providing a status report as to Projects and plan development and projected revenues and expenditures which includes cash flows and Project estimates for a ten (10) year period from the date of the Strategic Plan update. To the extent that Fees are updated, such update shall be included in a Strategic Plan update.
reporting and accounting shall also be performed by each party in accordance with the California Mitigation Fee Act, AB 1600.

G. Effective January 1, 1999 and on each subsequent anniversary date of such date, each party shall increase the amount of each of the Fees set forth above over the amounts in effect for the next preceding calendar year, by the amount of the increase in the Engineering News-Record Construction Cost Index for the San Francisco Bay Area for the period ending September 30 of the preceding fiscal year over the year-earlier amount.

H. The parties agree to continue to seek other funding sources for the Projects and to the extent that other funding is secured for a Project, any surplus Fees shall be shifted to another Project then not fully funded.

I. Fees shall be levied by each party on each development within its jurisdiction which is not exempt from or otherwise precluded from imposition of the Fee, including to the extent it may lawfully do so, in connection with the renegotiation or replacement of any development agreement in place at the time of imposition of the Fee Program by the party.

J. By rule or regulation unanimously adopted by the parties hereto, the parties may exempt certain classes or types of development, or any specific or single development, from imposition of the Fees. Such exemption may be in the form of a partial or full reduction in the amount of the Fees. Types of developments which might be exempted include, but would not be limited to, very low, low- or moderate income housing and transit-based-oriented development. Should a party grant an exception or exemption which has not been approved as herein set forth, such party shall be in violation of this Agreement.

K. A party may receive a credit against the payment of Fees for construction of a usable section of any of the Projects identified in the Agreement. Each City may approve a credit of its portion of the Fees in the amount of the local share amount. The amount of credit shall be the cost of construction of the portion of the Project and the cost of the land acquired to complete that segment as determined by the Authority or the City as to the setaside. The credit may be used to reduce the Fee obligation of the developer which is constructing the usable
section and/or, if the developer pays the Fees as well as contributing the usable section, may be used by the party to reduce or eliminate the Fee obligation of another developer or class of developments; provided that the aggregate credit shall not exceed in value the value of the usable section contributed as set forth above. If a party agrees to provide a credit of the setaside portion of the fee, notice of such action shall be provided to the Treasurer and to the Authority.

L. Each of the Cities shall be entitled to set aside a portion of collected fees for local transportation fee programs which have been adopted and implemented (the "setaside" portion herein, also referred to as each City’s “local share”). Such setaside or local share amount may be used to fund Projects, and new City Projects added to the Expenditure Plan in accordance with Attachment 2-A, paragraph B below, within the jurisdiction of the City making the setaside. The maximum allowable setaside or local share shall be in the following amounts:

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Fee</th>
<th>Setaside</th>
<th>Regional Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Orinda and Lafayette</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Family</td>
<td>$3,795</td>
<td>$3,000</td>
<td>$795</td>
</tr>
<tr>
<td>Multi Family</td>
<td>$2,367</td>
<td>$1,867</td>
<td>$500</td>
</tr>
<tr>
<td>Commercial</td>
<td>$1.60 s/f</td>
<td>$1.26 s/f</td>
<td>$0.34 s/f</td>
</tr>
<tr>
<td>College and Univ.</td>
<td>$902/student</td>
<td>$713/student</td>
<td>$189/student</td>
</tr>
<tr>
<td>Peak-hour trip</td>
<td>$3,757</td>
<td>$2,968</td>
<td>$789</td>
</tr>
<tr>
<td><strong>Moraga</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Family</td>
<td>$3,795</td>
<td>$800</td>
<td>$2,995</td>
</tr>
<tr>
<td>Multi Family</td>
<td>$2,367</td>
<td>$500</td>
<td>$1,867</td>
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<tr>
<td>Commercial</td>
<td>$1.60 s/f</td>
<td>$0.34 s/f</td>
<td>$1.26 s/f</td>
</tr>
<tr>
<td>College and Univ.</td>
<td>$902/student</td>
<td>$189/student</td>
<td>$713/student</td>
</tr>
<tr>
<td>Peak-hour trip</td>
<td>$3,757</td>
<td>$789</td>
<td>$2,968</td>
</tr>
</tbody>
</table>

II. Fee Collection and Management.

A. Fees collected in excess of setaside shall be promptly, but in no event later than thirty (30) days following the date of receipt of the fees by the City, forwarded to the Authority to the attention of the Treasurer/ Auditor/Controller to be deposited in the Authority’s accounts in accordance with the provisions of this Agreement. The fee setaside retained by the parties shall be maintained in an account of the City retaining the fee in a separated segregated account in accordance with applicable law, and such amount shall be available for disbursement for the purpose of reimbursing an incurred Project cost, excluding any incurred City Project cost. Fees and other revenue in the possession of the Authority shall be held by the Authority in an account in accordance with applicable law. The Treasurer shall deposit all Authority funds (excluding setaside amounts) in a separate, segregated account of the Town of Moraga, which is hereby of the City designated as fiscal agent for the Authority. Funds shall be maintained in such account to the credit of the Authority. The Treasurer/ Auditor/Controller shall be responsible upon his official bond for the safekeeping and disbursement of all Authority funds so held by him. Interest accruing on funds held in the Authority shall be deemed general funds available for any lawful purpose of the Authority. Unless otherwise agreed by the parties hereto, the total obligation of each party shall be the agreed upon contribution of Fees provided for in this Attachment 1-A. The obligation to contribute Fees to the Authority shall terminate on the earlier of the date on which the Projects have been fully funded and completed or the date on which the level of funding specified in Attachment 2-A, Paragraph C has been achieved, or upon the withdrawal of the contributing member (subject to any obligation to reimburse the Authority in accordance with this Agreement), or upon termination of the Agreement.
ATTACHMENT 2-A

Lamorinda Fee and Financing Authority

Joint Exercise of Powers Agreement

PROJECTS; FUNDING COMMITMENTS AND ELIGIBLE COSTS; IMPLEMENTATION SCHEDULE

A. List of Projects. The fees provided for in this Agreement shall be used exclusively for the Projects, including City Projects, listed in the Expenditure Plan which follows in the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program as such Expenditure Plan may be amended, updated and unanimously adopted by the parties from time to time, each of which is a highway or arterial improvement, or transit project, or pedestrian or bicycle improvement of sub-regional or regional significance. In the event that the Authority determines that one or more of the Projects cannot proceed, or if sufficient Fees become available to fund additional projects, new or substitute projects may be implemented, subject to nomination by one or more of the members, and to approval by unanimous vote of all the members of the Authority. Eligible projects shall be of regional significance and, if a replacement project, shall not receive funding under the Program in an amount in excess of the amount allocated to the replaced Project set forth in the Expenditure Plan in paragraph C below, unless additional Fees not required for Projects identified herein are available for the project.

B. Amendment to the Expenditure Plan to Add New City Projects. The nonsetaside portion of fees collected may only be used for Projects included on the Expenditure Plan as of the effective date of this Agreement as may be updated and unanimously adopted by the parties. Anything in this Agreement to the contrary notwithstanding, each City may, in its sole discretion and subject to the following, from time to time and by action of its city or town council, amend the Expenditure Plan to add a City Project or City Projects for such City to be funded with the setaside portion of the fees collected in accordance with this Agreement by such City. In connection with the adoption of such amendment to the list of Projects for such City in the
Expenditure Plan, the council of the City adopting the amendment shall make findings (i) that there is a reasonable relationship between the City Project or City Projects which is/are to be added to the Expenditure Plan and for which setaside fees are proposed to be expended, and the impact on sub-regional traffic of the development upon which the fees are imposed or intended to be imposed; and (ii) that such City Project has a regional benefit. Promptly upon approval by the town or city council of the new City Project or City Projects, the City shall notify the Authority and the other parties hereto, and the Expenditure Plan shall be amended to include such new City Project or City Projects.

C. Funding Commitments and Eligible Costs. Program revenues shall be available for all necessary Project costs through completion of construction. Costs include, but are not limited to, environmental clearance, conceptual engineering, traffic studies, design, right of way acquisition, utility relocation, litigation and settlement costs and costs of construction; provided, however, that no more than 25% of any Program year's Fee revenues shall be expended in the aggregate for conceptual engineering, environmental clearance, traffic studies or design activities for a Project. The commitment to each Project shall be considered complete when the Project is accepted by Project's sponsor or sponsors. Funding amounts are in 1998 dollars. The amounts listed in the Expenditure Plan following amounts are intended to be maximum commitments; actual funding commitments will depend upon Fee revenues.
Administrative costs shall not exceed 1% of program revenues. Administrative costs shall not include the development of the JEPA, but shall include the administration of duties included in the Agreement.

Eligible Project costs will be determined by the Authority based on cost guidelines and other criteria to be developed by it. Where the Authority deems it advisable in order to avoid undue burdens on Project sponsors, the Authority may advance fund Project expenses on a monthly, quarterly or other basis; Project costs will otherwise be reimbursed pursuant to procedures to be determined by the Authority.
D. Protecting Right of Way. Project sponsors, as a condition of Project funding through Fees, commit to protect Project rights of way, by, among other things, requiring dedication of right of way as a condition of development project approval or otherwise, pending Project commencement. Project sponsors further commit not to take actions which could adversely impact the cost of Projects, including, but not limited to, utility location or relocation, public development and the granting of easements in a proposed right of way.

E. Allocation of Regional Fees. Regional fees collected by the Authority shall be appropriated to projects included in the Expenditure Plan. As used herein, "regional fee" consists of the total Lamorinda Transportation Development Fee, less the setaside portion of the fee. Over the term of this Agreement, the regional fee proceeds shall be allotted by the Authority such that at the time this Agreement is terminated, the total appropriations from Agreement inception to termination shall be in accordance with the following percentages included in the applicable adopted nexus study, including the 2015 Nexus Study for the Lamorinda Development Mitigation Fee Program for the period from the Effective Date of the adoption of such nexus study to such time as the nexus study may be updated and unanimously adopted by the parties.

55% of the regional fees collected shall be utilized to fund projects identified as Lafayette projects;

35% of the regional fees collected shall be utilized to fund projects identified as Orinda projects;

10% of the regional fees collected shall be utilized to fund projects identified as Moraga projects.

The foregoing percentages allocated to each city’s projects are an overall allotment of regional fees, as defined above, over the term of the Agreement, as defined in Section 3, and, other than with respect to regional fees allocated to any Joint Jurisdictional
projects identified in the Expenditure Plan, are not required to be applied to each appropriation of regional fees by the Authority. **Overall percentage allotments shall be calculated using constant 1998 dollars.**

For purposes of calculating the above percentages, funds allocated to projects identified in the Expenditure Plan as "Joint Jurisdictional" shall be deemed to have a relative dollar value benefit to each of the three jurisdictions according to the above-listed percentages.

**F. Defense and Indemnification.** Any costs of defense and any liability incurred in connection with implementation of the Fee proposal program shall be borne by the Authority. The Authority agrees to the fullest extent legally permitted to indemnify and hold harmless the parties to this Agreement from any liability, loss, costs and claims related to the adoption or implementation of the Fee program. Fee revenues and any other revenues transferred to the Authority by the parties pursuant to this Agreement may be used for this purpose.

**G. Implementation Schedule.** Subject to environmental clearance, right of way acquisition and dedication, utility relocation and other factors the timing of which may be beyond the control of the Authority, and subject to the availability of regional fee and other funding sources as may be required, implementation guidelines shall apply to Project development as set forth in the Strategic Plan referenced in paragraph II of Attachment I. Project implementation shall be in accordance with each City’s adopted Capital Improvement Program or as otherwise determined by its City/Town Council.