



COUNCIL AGENDA - CITY OF BURBANK  
TUESDAY, NOVEMBER 18, 2003  
5:00 P.M.

**CITY COUNCIL CHAMBER – 275 EAST OLIVE AVENUE**

This agenda contains a summary of each item of business which the Council may discuss or act on at this meeting. The complete staff report and all other written documentation relating to each item on this agenda are on file in the office of the City Clerk and the reference desks at the three libraries and are available for public inspection and review. If you have any question about any matter on the agenda, please call the office of the City Clerk at (818) 238-5851. This facility is disabled accessible. Auxiliary aids and services are available for individuals with speech, vision or hearing impairments (48 hour notice is required). Please contact the ADA Coordinator at (818) 238-5021 voice or (818) 238-5035 TDD with questions or concerns.

CLOSED SESSION ORAL COMMUNICATIONS IN COUNCIL CHAMBER:

Comments by the public on Closed Session items only. These comments will be limited to **three** minutes.

For this segment, a **PINK** card must be completed and presented to the City Clerk.

CLOSED SESSION IN CITY HALL BASEMENT LUNCH ROOM/CONFERENCE ROOM:

- a. Conference with Legal Counsel – Existing Litigation:  
Pursuant to Govt. Code §54956.9(a)  
**Name of Case:** Deborah McMurray, et al. v. City of Burbank.  
**Case No.:** BC247304  
**Brief description and nature of case:** Alleged employment discrimination.
- b. Conference with Legal Counsel – Anticipated Litigation (City as potential defendant):  
Pursuant to Govt. Code §54956.9(b)(1)  
**Number of potential case(s):** 1
- c. Public Employee Performance Evaluation:  
Pursuant to Govt. Code §54957 and 54957.6  
**Title of Employee's Position:** City Attorney.
- d. Public Employee Performance Evaluation:  
Pursuant to Govt. Code §54957 and 54957.6  
**Title of Employee's Position:** City Manager.

When the Council reconvenes in open session, the Council may make any required disclosures regarding actions taken in Closed Session or adopt any appropriate resolutions concerning these matters.

**6:30 P.M.**

INVOCATION: Chaplain Sally Kinarthy, Providence Saint Joseph Medical Center.  
The Courts have concluded that sectarian prayer as part of City Council meetings is not permitted under the Constitution.

FLAG SALUTE:

ROLL CALL:

ANNOUNCEMENT: WEDNESDAY NIGHT PRIME TIME PROGRAMS.

PRESENTATION: GIRL SCOUTS OF AMERICA AWARD WINNERS.

ADJOURNMENT: IN MEMORY OF PEGGY STONE.

COUNCIL COMMENTS: (Including reporting on Council Committee Assignments)

INTRODUCTION OF ADDITIONAL AGENDA ITEMS:

At this time additional items to be considered at this meeting may be introduced. As a general rule, the Council may not take action on any item which does not appear on this agenda. However, the Council may act if an emergency situation exists or if the Council finds that a need to take action arose subsequent to the posting of the agenda. Govt. Code §54954.2(b).

REPORTING ON CLOSED SESSION:

AIRPORT AUTHORITY MEETING REPORT:

1. AIRPORT AUTHORITY COMMISSIONER REPORT:

At the request of the Burbank representatives to the Airport Authority, an oral report will be made to the City Council following each meeting of the Authority.

The main focus of this report will be issues which were on the Airport Authority meeting agenda of November 17, 2003. Other Airport related issues may also be discussed during this presentation.

Recommendation:

Receive report.

**INITIAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:** (Two minutes on any matter concerning City Business.)

There are four segments of Oral Communications during the Council Meeting. The first precedes the Closed Session items, the second and third segments precede the main part of the City Council's business (but follow announcements and public hearings), and the fourth is at the end of the meeting following all other City business.

**Closed Session Oral Communications.** During this period of oral communications, the public may comment only on items listed on the Closed Session Agenda(s). A **PINK** card must be completed and presented to the City Clerk. Comments will be limited to **three** minutes.

**Initial Open Public Comment Period of Oral Communications.** During this period of Oral Communications, the public may comment on any matter concerning City Business. A **BLUE** card must be completed and presented to the City Clerk. NOTE: Any person speaking during this segment may not speak during the third period of Oral Communications. Comments will be limited to **two** minutes.

**Agenda Item Oral Communications.** This segment of Oral Communications immediately follows the first period, but is limited to comments on agenda items for this meeting. For this segment, a **YELLOW** card must be completed and presented to the City Clerk. Comments will be limited to **four** minutes.

**Final Open Public Comment Period of Oral Communications.** This segment of oral communications follows the conclusion of agenda items at the end of the meeting. The public may comment at this time on any matter concerning City Business. NOTE: Any member of the public speaking at the Initial Open Public Comment Period of Oral Communications may not speak during this segment. For this segment, a **GREEN** card must be completed and presented to the City Clerk. Comments will be limited to **two** minutes.

**City Business.** City business is defined as any matter that is under the jurisdiction of the City Council. Although other topics may be of interest to some people, if those topics are not under City Council jurisdiction, they are not City business and may not be discussed during Oral Communications.

**Videotapes/Audiotapes.** Videotapes or audiotapes may be presented by any member of the public at any period of Oral Communications or at any public hearing. Such tapes may not exceed the time limit of the applicable Oral Communications period or any public comment period during a public hearing. The playing time for the tape shall be counted as part of the allowed speaking time of that member of the public during that period.

Videotapes must be delivered to the Public Information Office by no later than 10:00 a.m. on the morning of the Council meeting in a format compatible with the City's video equipment. Neither videotapes nor audiotapes will be reviewed for content or edited by the City prior to the meeting, but it is suggested that the tapes not include material that is

slanderous, pornographic, demeaning to any person or group of people, an invasion of privacy of any person, or inclusive of material covered by copyright.

Printed on the videocassette cover should be the name of the speaker, the period of oral communication the tape is to be played, and the total running time of the segment. The Public Information Office is not responsible for “cueing up” tapes, rewinding tapes, or fast forwarding tapes. To prevent errors, there should be ten seconds of blank tape at the beginning and end of the segment to be played. Additionally, the speaker should provide the first sentence on the tape as the “in cue” and the last sentence as the “out cue”.

As with all Oral Communications, videotapes and audiotapes are limited to the subject matter jurisdiction of the City and may be declared out of order by the Mayor.

**Disruptive Conduct.** The Council requests that you observe the order and decorum of our Council Chamber by turning off or setting to vibrate all cellular telephones and pagers, and that you refrain from making personal, impertinent, or slanderous remarks. Boisterous and disruptive behavior while the Council is in session, and the display of signs in a manner which violates the rights of others or prevents others from watching or fully participating in the Council meeting, is a violation of our Municipal Code and any person who engages in such conduct can be ordered to leave the Council Chamber by the Mayor.

Once an individual is requested to leave the Council Chamber by the Mayor, that individual may not return to the Council Chamber for the remainder of the meeting. BMC §2-216(b).

Individuals standing in the Council Chamber will be required to take a seat. Also, no materials shall be placed in the aisles in order to keep the aisles open and passable. BMC §2-217(b).

Your participation in City Council meetings is welcome and your courtesy will be appreciated.

COUNCIL AND STAFF RESPONSE TO INITIAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:

**AGENDA ITEM ORAL COMMUNICATIONS:** (Four minutes on Agenda items only.)

COUNCIL AND STAFF RESPONSE TO AGENDA ITEM ORAL COMMUNICATIONS:

JOINT MEETING WITH THE REDEVELOPMENT AGENCY:

2. REVIEW OF THE FISCAL YEAR 2003-04 STATE BUDGET, THE GENERAL FUND'S FINANCIAL STATUS AS OF SEPTEMBER 30, 2003 AND THE FIVE-YEAR FINANCIAL FORECAST:

The purpose of this report is to provide the Council with a review of the impact of the Fiscal Year (FY) 2003-04 State budget and the City's General Fund financial status as of September 30, 2003.

Review and Impact of the State Budget Crisis

On August 2, 2003, outgoing Governor Davis signed the FY 2003-04 State budget after many months of a budget stalemate. The troubling news is that the budget has a structural imbalance of \$8 billion and the State’s credit rating is at an all-time low just above junk bond status. With the recent election of Governor-Elect Schwarzenegger, one can suspect changes in one form or another to be made. However, thus far, the State continues to balance its budget problems on the back of local government.

The potential net loss of the Vehicle License Fee (VLF) will be one of the biggest State impacts to the City’s General Fund. The State budget includes the VLF fee increase from the current effective rate of .65 percent to 2 percent beginning October 1, 2003. There will be no backfill payment from the State during the approximately 90-day period between the final General Fund backfill and the VLF rate increase, therefore Burbank will only receive revenues based on the .65 percent VLF rate during this time. The net loss to Burbank will be approximately \$1.2 million. Due to the uncertainty of repayment, the receipt of these funds has not been included in the Five-Year Financial Forecast. In addition, the Governor-Elect has vowed to repeal the VLF increase, which would ultimately translate into an annual revenue loss of \$4 million for the City.

The State budget also requires a one-time transfer to the Educational Revenue Augmentation Fund (ERAF) in the amount of \$135 million from Redevelopment Agencies. Staff estimates that the one-time ERAF payment for Burbank will be \$1,343,094.

General Fund’s Financial Status

FY 2003-04 Recurring Perspective – General Fund Reserves

For the first quarter of the FY 2003-04, the General Fund received \$16,980,756 in revenue, which represents approximately 15 percent of the original estimated revenue. In comparison, the City also received 15 percent of the estimated revenue within the first quarter of FY 2002-03.

General Fund Appropriations Perspective

Overall, the General Fund (including the original appropriation and appropriation adjustments) has expended approximately 25 percent of recurring appropriations as of September 30, 2003. In comparison, on September 30, 2002, General Fund expenditures represented 24 percent of recurring appropriations for FY 2002-03.

Due to FY 2002-03 year-end expenditure and revenue results along with State budget actions, certain revenue adjustments and appropriations are necessary to fund the City’s working capital reserve for the FY 2002-03; the Magnolia Park project; potential restructuring costs related to Supplemental Employee Retirement Plans (SERPS); and, a budget stabilization account. The following is a recap of the updated FY 2003-04 General Fund budget.

Recurring Revenues (net of UUT & In Lieu set aside)	\$108,248,526
Plus – Use of Set-aside UUT & In-lieu	<u>1,763,629</u>
Total Recurring Revenues	110,012,155

Less:	
Recurring Appropriations	(109,796,800)
Potential Impact of MOUs	(2,087,687)
Plus savings from Frozen Positions	<u>1,872,332</u>
Recurring Balance	\$ <u><u>0</u></u>
Undesignated Fund Balance, July 1, 2003	\$3,797,464
Plus:	
Non-Recurring BAF Revenues	121,970
Use of Set-aside UUT & In-lieu	<u>147,447</u>
Total Available Non-Recurring Sources	<u>4,066,881</u>
Less:	
Budgeted One-time Items	319,600
Increase to Working Capital Reserves – FY 2002-03	543,000
Increase to Working Capital Reserves – FY 2003-04	280,000
Increase to Emergency Reserves – FY 2003-04	93,000
Compensated Absences	600,000
Restructuring Costs Related to (SERPS)	500,000
Magnolia Park	125,000
Amount Set-aside in Budget Stabilization Fund	<u>1,573,230</u>
Total Non-Recurring Uses	<u>4,033,830</u>
Estimated Available Fund Balance, June 30, 2004	\$ <u><u>33,051</u></u>

#### Five-Year Financial Forecast

The intended purpose of the Financial Forecast is to gain an understanding of the long-term financial trends. This long-term perspective will allow the City to make informed financial decisions today, while fully understanding the future financial impacts of these decisions.

The current Financial Forecast predicts challenging budgets over the next several fiscal years. The State continues to have an \$8 billion structural budget deficit with no discernable plans to resolve it. The Financial Forecast does not anticipate future State actions that will withdraw additional local government revenues. Burbank's situation is no different than any other city in California, and in many cases throughout the nation. Obviously, the City's finances are struggling and all levels of government are experiencing the effects. Staff is in the process of preparing plans to assist in the balancing of future fiscal year budgets.

Recommendation:

1. Adoption of proposed Redevelopment Agency resolution entitled:  
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING FUNDS IN THE AMOUNT OF \$1,343,094.00 FROM THE UNAPPROPRIATED FUND BALANCE FOR A ONE-TIME EDUCATIONAL REVENUE AUGMENTATION FUND PAYMENT FROM THE REDEVELOPMENT AGENCY.
  
2. Adoption of proposed Council resolution entitled:  
(4/5 vote required)  
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING FUNDS IN THE AMOUNT OF \$125,000.00 FROM GENERAL FUND SAVINGS FOR THE MAGNOLIA PARK STREETScape IMPROVEMENTS.
  
3. Adoption of proposed Council resolution entitled:  
(4/5 vote required)  
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING FUNDS IN THE AMOUNT OF \$2,741,230.00 FROM FY 2002-2003 FOR THE PURPOSE OF MAKING ADJUSTMENTS IN THE FISCAL YEAR 2003-04 BUDGET.

RECESS for the Redevelopment Agency, Housing Authority, Parking Authority and Youth Endowment Services Fund Board meetings.

RECONVENE for the City Council meeting.

CONSENT CALENDAR: (Items 3 through 8)

The following items may be enacted by one motion. There will be no separate discussion on these items unless a Council Member so requests, in which event the item will be removed from the consent calendar and considered in its normal sequence on the agenda. A **roll call** vote is required for the consent calendar.

3. MINUTES:

Approval of minutes for the regular meetings of October 28 and November 4, 2003.

Recommendation:

Approve as submitted.

4. TREASURER'S REPORT:

The City Treasurer's report on investment and reinvestment of temporarily idle funds for the quarter ending September 30, 2003.

Recommendation:

Note and file.

5. AFFORDABLE HOUSING AGREEMENT WITH BURBANK HOUSING CORPORATION FOR 2325 AND 2335 NORTH FAIRVIEW STREET:

The purpose of this item is to provide the Council with information to consider an Affordable Housing Agreement (AHA) between the City and the Burbank Housing Corporation, a community housing development organization (CHDO), for the acquisition and rehabilitation of seven rental units at 2325 and 2335 North Fairview Street (Property).

This project is predicated upon a proven strategy for upgrading a neighborhood in decline. As with other focus neighborhoods, such as the Elmwood area, the approach is to assist the CHDO to acquire and rehabilitate properties in the neighborhood, have the CHDO operate these sites as mixed income projects with an affordability component and to construct an activity center from which to provide services that will help to integrate tenants into the community. The proposed AHA implements several elements of this approach and also provides for reconfiguring two single-family units to increase the number of bedrooms in response to the need for more affordable larger-bedroom units (three or more bedrooms). Whenever possible, the City is to incorporate community-serving uses within new and existing residential developments to address the needs of the larger neighborhood. To this end, staff is to study options to develop an activity center for the area and return with a proposal at a later date.

This project also fulfills one of the housing objectives and programs adopted by the Redevelopment Agency Board (Agency) and Council, as recommended by the Blue Ribbon Task Force on Affordable Housing. This was later reiterated at the July 29, 2003 Study Session on an affordable housing strategy.

The City and/or Agency assisted the CHDO to acquire and rehabilitate eight other units on three separate sites, part of the 180 units the CHDO operates in Burbank. This Property would nearly double the CHDO's units in the Golden State Redevelopment Project area. The City is to lend the CHDO \$1,080,000 in HOME Investment Partnerships Program (HOME) funds to underwrite a portion of Property acquisition, as well as the direct and indirect costs related to acquisition and rehabilitation, including lender fees and closing costs. The amount of the loan is tantamount to: 67 percent of the purchase price of \$1,123,000, with the balance provided by a conventional loan from the CHDO's lender; and, approximately \$373,000 applied towards building rehabilitation, indirect (e.g., 10 percent construction



contingency, CHDO construction management, closing costs) and financing costs. The CHDO is responsible for paying development costs exceeding the City's loan, and any remaining funds are to be applied to the City loan balance.

The CHDO is to rehabilitate the Property in conformance with the Site Plan, the Scope of Development and Schedule of Performance. Rehabilitation will include improvements and repairs such as: room additions and reconfiguration; remodeling kitchens; remodeling bathrooms with specific improvements focusing on health and safety issues; new doors and windows; upgrading the electrical, plumbing and HVAC systems; new carpeting; interior wall repair and paint; exterior painting; stair work; new roofs; and, asbestos and lead-based paint abatement.

Financing for the acquisition of the Property and any remaining funds to facilitate rehabilitation will be provided through two loans, a first deed of trust from a private lender and a second deed of trust with the City. The City loan of up to \$1,080,000 will be deferred and forgiven if the CHDO complies with the income and affordability covenants over the 55-year loan term. Any remaining loan balance after rehabilitation is complete will be applied towards reducing the City loan principal.

Affordability and income covenants will be recorded on the Property to ensure that all units will be restricted throughout the affordability period extending in perpetuity (defined as the useful life of the land use controls but not less than 55 years). Under HOME regulations, low-income households must occupy all HOME-designated units and their rents may not exceed High HOME rent, which is the lesser of fair market rent or 30 percent of 65 percent of adjusted family income with adjustments for the number of bedrooms in the unit. For projects with at least five restricted HOME units, 20 percent of the units must be rented to very low-income households at Low HOME rents, which is defined as the lesser of fair market rent or 30 percent of 50 percent of adjusted family income with adjustments for the number of bedrooms in the unit. One one-bedroom unit will be affordable to a very low-income household, with rents that do not exceed affordable rents for very low-income households as defined under HOME regulations (Low HOME rents). The remaining units, including three one-bedroom units; a one-bedroom unit being converted into a four-bedroom unit; a two-bedroom unit being reconfigured into a three-bedroom unit; and, an existing three-bedroom unit, will be affordable to low-income households, with rents that do not exceed affordable rents for low-income households as defined under HOME regulations (High HOME rents).

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING AN AFFORDABLE HOUSING AGREEMENT BETWEEN THE CITY AND THE BURBANK HOUSING CORPORATION (2325 AND 2335 NORTH FAIRVIEW STREET).

6. AUTHORIZING THE ACCEPTANCE OF STATE DOMESTIC PREPAREDNESS GRANT FUNDS, AND AMENDING THE FISCAL YEAR 2003-04 BUDGET:

Staff is requesting Council approval of a proposed resolution that authorizes the City Manager to accept \$55,254.07 in Fiscal Year (FY) 02 State Domestic Preparedness Grant funds for the Fire and Police Departments.

The Fire and Police Departments were awarded \$55,254.07 for the FY 2003-04, FY 02 State Domestic Preparedness Grant program. The purpose of the FY 02 State Domestic Preparedness Grant is to provide financial assistance to jurisdictions to purchase equipment, support planning efforts, conduct training, and develop exercises to enhance local fire, emergency medical services, hazardous materials, urban search and rescue, law enforcement, and public health terrorism first responder capabilities. These funds are to be used to purchase specialized first responder equipment to enrich the Operational Area's capacity to respond to terrorist incidents.

Grant funding will aid in enhancing the ability of the Fire and Police Departments' first responder role to perform critical life safety missions in contaminated environments caused by weapons of mass destruction and attacks using chemical, biological, radiological, nuclear, or explosive devices. The City received funding priority due to the fact that a State-typed and certified Hazardous Materials team and a certified Urban Search and Rescue team were already in place.

Recommendation:

Adoption of proposed resolution entitled:  
(4/5 vote required)

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET FOR THE PURPOSE OF RECEIVING AND APPROPRIATING FY 02 STATE DOMESTIC PREPAREDNESS GRANT PROGRAM FUNDS IN THE AMOUNT OF \$55,254.07 FROM THE STATE OF CALIFORNIA'S OFFICE OF HOMELAND SECURITY.

7. AUTHORIZING THE ACCEPTANCE OF STATE HOMELAND SECURITY GRANT PROGRAM FUNDS, AND AMENDING THE FISCAL YEAR 2003-04 BUDGET:

Staff is requesting Council approval of a proposed resolution that authorizes the City Manager to accept \$132,878.55 in Fiscal Year (FY) 03-Part 1 State Homeland Security Grant Program (SHSGP) funds for the Fire and Police Departments.

The Fire and Police Departments were awarded \$132,878.55 for the FY 2003-04 FY 03-Part 1 State Homeland Security Grant Program. The purpose of the Part 1 SHSGP is to enhance the capabilities of State and local first responders, by allowing for the purchase of advanced types of equipment to enhance homeland security. These funds will allow for the purchase of specialized equipment to respond to chemical, radiological, biological, nuclear, and explosive incidents.

Grant funding will continue giving the highest priority to personal protective equipment and also enhance the chemical, biological, radiological, nuclear, explosive response capabilities of the entire Los Angeles Operational Area by enhancing and expanding existing specialized resources. The City received priority funding due to the fact that a State-typed and certified Hazardous Materials team and a certified Urban Search and Rescue team were already in place.

Recommendation:

Adoption of proposed resolution entitled:

(4/5 vote required)

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET FOR THE PURPOSE OF RECEIVING AND APPROPRIATING PART 1 STATE HOMELAND SECURITY GRANT PROGRAM FUNDS IN THE AMOUNT OF \$132,878.55 FROM THE STATE OF CALIFORNIA'S OFFICE OF HOMELAND SECURITY.

8. AUTHORIZING THE EXECUTION OF THE CITY OF BURBANK FLEXIBLE BENEFITS PLAN ADOPTION AGREEMENT BETWEEN THE CITY OF BURBANK AND SHEAKLEY UNISERVICE, INC.:

The City offers a Section 125 Employee Benefit Plan for its officers and employees. The establishment of this employee benefit plan, pursuant to regulations in Section 125 of the Internal Revenue Code, provides officers and employees the opportunity to pay for benefits using pre-tax dollars instead of after-tax payroll deductions. Such benefits include unreimbursed medical expenses, dependent care expenses, and medical/dental premiums.

On December 16, 2002, the City entered into a contract with a new third party administrator for the Section 125 Employee Benefit Plan, Sheakley Uniservice, Inc. As part of the service agreement, Sheakley Uniservice, Inc. revised and updated the City's Plan Document for the Section 125 Employee Benefit Plan which is referred to in the Adoption Agreement. There were no major revisions or substantial changes from the previous provider. Sheakley Uniservice, Inc. reviewed the document for compliance with the current Internal Revenue Code.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING AND AUTHORIZING EXECUTION OF THE CITY OF BURBANK FLEXIBLE BENEFITS PLAN ADOPTION AGREEMENT BETWEEN THE CITY OF BURBANK AND SHEAKLEY UNISERVICE, INC.

END OF CONSENT CALENDAR

\*\*\*                      \*\*\*                      \*\*\*

REPORTS TO COUNCIL:

9. RENAMING THE BURBANK-GLENDALE-PASADENA AIRPORT TO BOB HOPE AIRPORT:

The purpose of this report is to discuss the proposal to rename the Burbank-Glendale-Pasadena Airport to the Bob Hope Airport. Before the name of the Airport can be changed, the Council needs to approve the formal amendment of the Joint Powers Agreement (JPA) as will the other cities in the JPA. This First Amendment to the Amended and Restated Joint Exercise of Powers Agreement Among the Cities of Burbank, Glendale and Pasadena mirrors the earlier amendment which changed the name of the Airport from the Hollywood-Burbank Airport to the Burbank-Glendale-Pasadena Airport. This amendment will change the Airport name from the Burbank-Glendale-Pasadena Airport to the Bob Hope Airport.

The Burbank-Glendale-Pasadena Airport Authority has entered into a License Agreement with Hope Enterprises, Inc., which owns and controls the right to use the Bob Hope name and persona. The goal is to effect the name change and the necessary changes in signage, etc. prior to the end of the year.

Please note that only the name of the Airport is proposed to be changed. The name of the Authority will remain the same.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING THE FIRST AMENDMENT TO AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT AMONG THE CITIES OF BURBANK, GLENDALE AND PASADENA TO RENAME THE AIRPORT TO BOB HOPE AIRPORT.

10. MULTIPLE FAMILY RESIDENTIAL DEVELOPMENT:

At the September 16, 2003 meeting, the Council requested that staff bring back information on multiple-family residential development for deliberation in order to better define the nature of the problem and decide on the appropriate action. There has been increasing concern expressed by residents and the Council regarding the number of multiple-family residential development taking place citywide and especially in the area east of the downtown, where 85 percent of the new development has occurred over the past three years. The concern focuses on the perceived and anticipated impacts of this new development and the intensification of land use on the neighborhood character.

The primary concerns are parking, traffic, building height and mass and the resulting change in neighborhood character. All of these issues are assumed to be the result of building density. With regard to building density there are competing needs, goals

and priorities. Higher residential densities make it more feasible to provide affordable housing, support the economy of the City, allow for more efficient use of urban infrastructure and increase the opportunity for new housing types and residential options to meet the needs of changing demographics. But there are drawbacks to higher densities, such as increased traffic, changing the character of the City and loss of the lower-density garden apartments typical of Burbank. Staff suggests that the concerns associated with density be addressed by improving development and design standards and more closely linking development density with lot size.

In order to study the complex and inter-related issues of housing, density, design and their associated impacts, staff considered two options. The first option was to study these issues in conjunction with the current update of the General Plan Land Use Element which would allow current development trends to continue while the study was underway. The second option was the adoption of an urgency ordinance that would immediately prohibit all multiple-family development until staff studied the issues and proposed necessary changes to the Council regarding densities, design and standards for multiple family development.

Recommendation:

Staff recommends Council direction to prepare an urgency Interim Development Control Ordinance that would prohibit all new multiple-family residential development until such time as the current multiple-family residential development standards can be reviewed, evaluated and any necessary changes made. In light of staff's current heavy workload, and the urgency of this matter, staff requests that the Council authorize hiring consultants to augment staff and provide necessary design expertise.

11. CALIFORNIA WORKERS COMPENSATION REPORT:

At the October 21, 2003 meeting, the Council requested that staff present a report on Workers Compensation (WC). California's employers of all sizes are paying unreasonably high WC premiums resulting in adverse financial hardship on the State's employment sector and economy. Employers renewing WC insurance policies in 2003 are facing unusually steep premium increases for the fourth year in a row. Several significant factors continue to contribute to the increasing cost of premiums, including: new legislation providing increased benefits; a 10.3 percent increase in the pure premium rate; a surcharge to cover the cost of carrier insolvency; and, increased system costs, particularly in medical benefits. These factors, combined with the continued anemic state of the WC insurance industry, have resulted in more premium increases.

WC is a serious problem facing the business community and economic growth in California. WC costs in California have risen from \$9 billion in 1995 to more than \$30 billion in 2003. This is a 222 percent increase resulting in a daunting amount for employers to absorb. When WC was first introduced in the United States, it was intended to reduce disputes over on-the-job injuries and largely eliminate the need for

litigation. But the WC system has become so complicated with rules and regulations that many injured workers often need lawyers to guide them through the system.

The City will face many challenges as its business community endures increasing WC rates and other costs. The WC issue is particularly relevant to Burbank businesses because most of them do not have the ability to self-insure, therefore, the only option they have is to obtain WC coverage and bear increasing rates. Several businesses in the City were contacted, both large and small, to assess the effect of escalating WC premiums. Staff received consistent information from all of them. In all cases, businesses have experienced substantial increases in their rates, whether they had a clean injury record or not. The City, as an employer, has also experienced high WC costs which have not only increased disproportionately in recent years, but have now become a major contributing factor to the ongoing budget crisis.

The Legislature approved a WC overhaul on September 12, 2003 that is meant to reduce the cost of treating job-related injuries. Assembly Bill (AB) 227 and Senate Bill (SB) 228, contain the bulk of this reform. However, there is the expectation that the Bills will produce only modest savings, and that lawmakers must support additional reform. During the legislative process, it was suggested that California should adopt a model similar to the WC system of the State of Arizona.

Organizations like the Burbank Chamber of Commerce, Economic Alliance of the San Fernando Valley, California Chamber of Commerce and League of California Cities all share the belief that AB 227 and SB 228 are steps in the right direction, but also agree that additional significant reform is necessary. The Management Services Department also provides a recommendation on reforms at the local level to reduce WC costs. In addition to the above-mentioned organizations, Governor-Elect Schwarzenegger is also committed to further reform and has a five-step plan to change the current WC system.

If the current WC situation does not improve, it is likely that California businesses will continue to relocate to more business-friendly states, and those who remain will continue to face exorbitant WC premiums and pass the costs along to customers, or lay off employees to afford paying for these costs. It will become increasingly difficult for California to attract and retain businesses and, if WC costs continue to soar, this issue may be the “straw that breaks the camel’s back” in terms of business retention and attraction.

Recommendation:

Staff recommends that the Council appoint two members to serve on a Workers Compensation Sub-Committee to review and make recommendations on: 1) existing reform suggestions made by other organizations; 2) other possible reform measures and strategies that can be recommended to our legislators; and, 3) direct staff to thoroughly analyze the City’s internal workers compensation process and implement changes (within the ramifications of the legal and labor relations constraints) that are deemed to be of benefit to the City both from a standpoint of process efficiencies and overall cost.

12. APPROVING CONTRACT DOCUMENTS, AWARDING A CONSTRUCTION CONTRACT, APPROVING A PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION MANAGEMENT, AND AUTHORIZING EXECUTION OF A SUPPLEMENTAL FUNDING AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR BID SCHEDULE NO. 1119, CHANDLER BOULEVARD BIKEWAY PROJECT:

Staff is requesting Council approval of contract documents, plans and specifications; award of a construction contract; approval of a Professional Services Agreement (PSA) for construction management; and, authorization to execute a supplemental funding agreement with the California Department of Transportation (Caltrans) for Bid Schedule No. 1119, Chandler Boulevard Bikeway Project.

The Chandler Boulevard Bikeway Project will construct approximately two miles of landscaped class-1 bikeway on the Chandler Boulevard median from Clybourn Avenue to Mariposa Street. The scope of work includes construction of portland cement concrete bikeway and pedestrian path, curb, gutter, pedestrian ramp, sidewalk, asphalt pavement, earthwork, signing, striping, traffic signal modifications, landscape planting, and reclaimed water irrigation.

Bid Schedule No. 1119 was advertised for construction bids on September 3 and 6, 2003. A bid opening was held on October 7, 2003, and nine contractors submitted bids ranging from \$1,778,253 to \$2,424,313. Valley Crest Landscape Development Inc. of San Fernando, California submitted the lowest bid of \$1,778,253, which is 18.25 percent below the engineer’s estimate of \$2,175,257.87. This contractor has previously performed work similar to the scope of work in this project for the City with satisfactory results.

Construction management of this project involves multiple disciplines of civil engineering, traffic engineering, and landscape architecture. Due to the broad scope of work and the need to maintain continuity, staff recommends that the project’s original design firm, David Evans and Associates, Inc. (DEA), be retained to provide construction management services. DEA has provided satisfactory consultant services for the City on many past and present projects. The PSA with DEA includes both construction inspection and contract administration at a cost of \$116,810 which is 6.6 percent of the construction cost.

Construction of the bikeway is planned to start in December 2003 and be completed by June 2004. Funds in the amount of \$2,108,316.69 are currently available for construction and construction management services. The funding sources for this project are as follows:

Development Impact Fees	\$1,133,907.00
General Fund	\$782,209.69
Transportation Development Act Funds	\$192,200.00
 TOTAL FUNDS AVAILABLE	 \$2,108,316.69

Caltrans will reimburse up to \$750,000 of the construction cost of this project. To receive construction reimbursement, the City must execute Program Supplement Agreement No. 010-M to Administering Agency-State Agreement No. 07-5200 for Federal-Aid Projects dated July 15, 1997. The City also has \$6,920 from Plant-A-Tree donations set aside in a separate account for the purchase of trees.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING AND ADOPTING CONTRACT DOCUMENTS, PLANS AND SPECIFICATIONS, AND DETERMINING THE LOWEST RESPONSIBLE BIDDER, ACCEPTING THE BID, AND AUTHORIZING EXECUTION OF A CONTRACT FOR CHANDLER BOULEVARD BIKEWAY PROJECT, BID SCHEDULE NO. 1119, AND SUPPLEMENTAL CONTRACTS RELATED THERETO.

13. CONTROL MEASURE FOR DIESEL PARTICULATE MATTER FROM ON-ROAD HEAVY-DUTY RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION VEHICLES:

The purpose of this report is to provide the Council with an update on compliance with the proposed control measure entitled Diesel Particulate Matter Control Measure for On-Road Heavy Duty Residential and Commercial Solid Waste Collection Vehicle Diesel Engines set forth by the California Air Resources Board (ARB).

In 1998, the ARB identified diesel particulate matter (PM) as a toxic air contaminant. Because of the amount of emissions to California's air and its potency, diesel PM is by far the number one contributor to the adverse health impacts of toxic air contaminants.

In October 2000, the ARB adopted the Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-Fueled Engines and Vehicles, which established a goal of reducing emissions and the resultant health risk from virtually all diesel-fueled engines and vehicles within the State of California by the year 2020.

In June 2003, the ARB proposed the Diesel Particulate Matter Control Measure for On-Road Heavy Duty Residential and Commercial Solid Waste Collection Vehicle Diesel Engines. This regulation applies to solid waste collection vehicle owners, whether private or governmental entities, and to municipalities that authorize private owners through a contract, franchise agreement, permit, license or similar approval for residential and commercial solid waste collection service. The regulation will mandate the reduction of diesel PM emissions from 1960 to 2006 model year on-road diesel-fueled heavy duty residential and commercial solid waste collection vehicles. The proposed control measure is expected to be adopted and become law in July 2004.

Owners of waste collection vehicles will be required to install approved retrofit PM control systems on their existing engines or install new alternative-fuel or heavy duty



pilot-ignition diesel engines. The requirement for compliance will be phased-in between December 31, 2004 and December 31, 2010, by engine model year group.

In addition to complying with the new regulations, municipalities that contract for refuse service bear joint responsibility with the private refuse service vehicle owners for compliance and enforcement of the above requirements for their vehicles that are used in the performance of the contract service. Municipalities will be required to submit reports to the ARB beginning in 2004 through 2013, which identify all contractors and certify compliance by those contractors with this regulation. If any contractor fails to meet or becomes non-compliant, the municipalities are required to notify the ARB within 30 days of determination.

In September 2003, staff reviewed the City's replacement schedule of its 26 refuse trucks that would be impacted by this mandate. According to the schedule, all but one refuse truck will meet the compliance deadline. Staff has moved up the replacement date of this vehicle by one year in order to fully comply with the proposed mandate. Currently, 15 compressed natural gas (CNG) refuse trucks are on order, and will be in service by August 2004. An additional seven trucks will be in service by June 2005, with the remaining four trucks in service by June 2006. All refuse trucks in the City's fleet will be fueled by CNG.

In anticipation that all other diesel-powered trucks will fall under a similar mandate in the future, staff has reviewed the regular replacement cycle of the 59 diesel vehicles in the general City fleet. By the year 2007, approximately 75 percent of the diesel trucks will be fueled by CNG or gasoline. Staff anticipates compliance with any future mandates based on the regular replacement schedule and, therefore, does not recommend any actions be taken. These figures do not include the Fire Department or Burbank Water and Power diesel-powered trucks. History indicates that fire emergency service vehicles will probably be exempt from any mandates.

In an effort to continue the City's commitment to achieve a cleaner environment, staff has researched cleaner-burning diesel fuels that can be used in the City's diesel fleet today. Bio-diesel and low-sulfur diesel fuels are two widely available cleaner-burning options.

Bio-diesel is a cleaner-burning diesel replacement fuel made from natural, renewable sources such as new and used vegetable oils and animal fats. Blends of up to 20 percent bio-diesel (mixed with petroleum diesel fuels) can be used in nearly all diesel equipment. Using bio-diesel in a conventional diesel engine reduces most emissions constituents. However, emissions of nitrogen oxides increase with the concentration of bio-diesel in the fuel.

Low-sulfur diesel fuel can also be used in nearly all diesel equipment. This fuel, unlike bio-diesel, reduces all emissions constituents, including nitrogen oxides. South Coast Air Quality Management District Rule 431.2, Sulfur Content of Liquid Fuels, will require all diesel fuel sold and used on or after June 1, 2006, not to exceed a sulfur content of 15 parts per million. The City is currently using low-sulfur diesel, meeting

the proposed rule. Staff recommends that the City continue to use low-sulfur diesel fuel instead of bio-diesel.

There will be no fiscal impact in complying with the proposed control measure.

Recommendation:

Note and file.

14. APPROPRIATION OF BOND PROCEEDS:

The purpose of this report is to request approval to appropriate available bond proceeds from the remarketing of the \$25 million Golden State Redevelopment Project Subordinated Tax Allocation Bonds, Issue of 1993 along with the Burbank Public Financing Authority (BPFA) Revenue Bonds, 2003 Series A (Golden State Redevelopment Project).

In January 2003, the BPFA issued \$87,265,000 in Revenue Bonds, 2003 Series A, Golden State Redevelopment Project. The primary purpose of the Bonds was to purchase in lieu of redemption most of Golden State Redevelopment Project Tax Allocation Bonds, 1993 Series A and to provide money for projects within the Golden State Redevelopment Project Area. As a product of the purchase in lieu of redemption financing, \$5,095,000 of new money has been realized which can be used for City capital projects.

In September 2003, the Golden State Redevelopment Project also remarketed its \$25 million subordinated debt. The remarketing generated \$22,645,000 which can be used for City capital projects.

Staff has identified several capital projects (i.e. Development and Community Services Building (DCSB), payoff of the City Hall Annex loan, and a new soccer field) which would be funded by the available bond proceeds. In addition, modification of the Public Works Department equipment repair shop to accommodate compressed natural gas (CNG) vehicle repairs is in need of funding. Other projects such as the Robert Ovrom Park, Chandler Bikeway, the future plaza to be located at the northeast corner of Olive Avenue and Third Street next to the DCSB and Library projects may need funding. The following is a recap of available funding and the recommended appropriations:

BPFA Revenue Bonds, 2003 Series A	\$5,095,000
Golden State Subordinated Tax Allocation Bonds, Issue of 1993	<u>22,645,000</u>
<b>Amount available for Capital Projects</b>	<b><u>\$27,740,000</u></b>
DCSB Schematic Design Budget	\$25,500,000
Amount previously appropriated	3,446,145
Under grounding to be performed by Burbank Water and Power	360,000

To be appropriated from Utility Users Tax and In Lieu Set-aside	1,500,000
To be appropriated from Art in Public Places Funds	<u>150,000</u>
Amount to be funded from available resources	20,043,855

Soccer Field Construction	1,500,000
City Hall Annex lease payoff	2,057,853
Equipment Repair Shop modifications	650,000
Projects Contingency Fund	<u>3,488,292</u>

**Total Recommended Appropriations** **\$27,740,000**

DCSB Project

The anticipated total budget for the DCSB project has not changed since the establishment of the schematic design budget at the December 10, 2002 Council meeting. At that meeting, the budget assumed funding of \$1,500,000 for the UUT and in lieu set-aside funds and \$150,000 from Arts in Public Places Funds. The budget resolutions formally appropriate these funds along with the \$20,043,855 balance of the project from available capital projects funding.

Soccer Field Construction

The City is currently pursuing a location for the development of a new soccer field. Staff has estimated the development of the soccer field and related facilities would be \$1.5 million.

City Hall Annex Lease Payoff

The City Hall Annex building was financed with a lease agreement. Annual lease payments are paid by the Municipal Building Maintenance Internal Service Fund and amount to \$390,862 per year through Fiscal Year 2008-09. A portion of the City Hall Annex property will be used for the planned Central Library Project. As the land for the Library project must be deeded to the State, the City would need to clear the lease encumbrance from the property. The annual savings of the Municipal Building Maintenance Internal Service Fund will be used to provide additional funding to seismically rehabilitate existing municipal buildings.

Equipment Repair Shop Modifications

The City is transitioning its fleet toward CNG vehicles. The existing Public Works Department equipment maintenance facility needs to be modified to accommodate this activity and comply with current codes. The project has been estimated to cost \$950,000 and includes electrical, ventilation and other modifications necessary to legally permit natural gas, hydrogen and future gaseous fueled vehicles to be repaired and stored inside the shop.

Staff originally budgeted \$300,000 for this project. However, this estimate was for modifications absolutely necessary to comply with governing regulations. Upon review of our preliminary designs with the Fire Department, staff determined that it would be more prudent to design a system capable of not only meeting the minimum requirements, but also providing a higher level of safety, reliability and usability into the future.

### Projects Contingency Fund

The City has several large active projects either in progress or in the planning stages. Staff believes that it is prudent to set-aside funding to cover unanticipated issues as well as unfunded portions of planned projects. These projects include the DCSB, Robert Ovrrom Park, a new soccer field, Chandler Bikeway, Central Library, and the plaza located next to the DCSB on Third Street and Olive Avenue, which has not been funded.

### Recommendation:

Adoption of proposed resolutions entitled:

(4/5 vote required)

1. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING \$1,650,000 FOR THE PURPOSE OF PROVIDING FUNDING FOR THE DEVELOPMENT AND COMMUNITY SERVICES BUILDING.

(4/5 vote required)

2. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING \$650,000 FOR THE PURPOSE OF FUNDING THE MODIFICATION OF THE PUBLIC WORKS EQUIPMENT REPAIR SHOP TO ACCOMMODATE CNG VEHICLE REPAIRS.

(4/5 vote required)

3. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING \$27,740,000. FOR THE PURPOSE OF PROVING FUNDING FOR THE DEVELOPMENT AND COMMUNITY SERVICES BUILDING AND OTHER CAPITAL PROJECTS THROUGHOUT THE CITY.

(4/5 vote required)

4. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING \$5,095,000 FOR THE PURPOSE OF FUNDING VARIOUS CAPITAL PROJECTS THROUGHOUT THE CITY.

(4/5 vote required)

5. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2003-2004 BUDGET BY APPROPRIATING \$1,650,000 FOR THE PURPOSE OF PROVIDING FUNDING FOR THE DEVELOPMENT AND COMMUNITY SERVICES BUILDING.

### 15. CIVIC ANNOUNCEMENTS AT COUNCIL MEETINGS:

The purpose of this item is to streamline the procedure for publicizing certain civic events, and to manage the length of announcements read by the Mayor at the

beginning of Council meetings. At the October 21, 2003 meeting, Council Members directed staff to review the issue and provide recommendations. Some Council Members expressed the view that too many announcements sometimes found their way into the Mayor's script, detracting from the main business of the meeting.

Recommendation:

Staff recommends that the Council discuss the matter and give direction as desired.

RECONVENE the Redevelopment Agency, Housing Authority, Parking Authority and Youth Endowment Services Fund Board meetings for public comment.

**FINAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:** (Two minutes on any matter concerning the business of the City.)

This is the time for the Final Open Public Comment Period of Oral Communications. Each speaker will be allowed a maximum of **TWO** minutes and may speak on any matter concerning the business of the City. However, any speaker that spoke during the Initial Open Public Comment Period of Oral Communications may not speak during the Final Open Public Comment Period of Oral Communications.

For this segment, a **GREEN** card must be completed, indicating the matter to be discussed, and presented to the City Clerk.

**COUNCIL AND STAFF RESPONSE TO THE FINAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:**

ADJOURNMENT. In memory of Peggy Stone and to Tuesday, November 25, 2003 at 5:00 p.m. in the Council Chamber, 275 East Olive Avenue, Burbank, for a Traffic and Transportation Study Session.

**For a copy of the agenda and related staff reports,  
please visit the  
City of Burbank's Web Site:  
[www.ci.burbank.ca.us](http://www.ci.burbank.ca.us)**