

BURBANK REDEVELOPMENT AGENCY
DECEMBER 11, 2001

A regular meeting of the Burbank Redevelopment Agency was held in the City of Burbank Council Chamber, 275 East Olive, on the above date. The meeting was called to order at 6:35 p.m. by Mr. Kramer, Chairman.

CLOSED SESSION

Present- - - - - Members Golonski, Laurell, Murphy, Ramos and Kramer.
Absent - - - - - Members None.
Also Present - Mr. Ovrom, City Manager; Mr. Barlow, City Attorney; Ms. Alvord, Assistant City Manager; and, Mrs. Campos, Secretary.

Invocation The invocation was given by Reverend Ron Degges, Little White Chapel.

Flag The pledge of allegiance to the flag was led by Derek Hanway,
Salute Financial Services Director.

ROLL CALL

Present- - - - - Members Golonski, Laurell, Murphy, Ramos and Kramer.
Absent - - - - - Members None.
Also Present - - Mr. Ovrom, Executive Director; Ms. Alvord, Assistant City Manager; Mr. Barlow, City Attorney; and, Mrs. Campos, Secretary.

8:08 P.M. Mr. Solomon, Housing Development Manager, stated staff would
Jt. Mtg. w/ present an overview of the 2001 Housing Profile, followed by a
City Council review of the Redevelopment Agency's current housing programs
RA 43 and recommendations for program revisions as well as new
2001 Housing programs which respond to findings set forth in the Housing Profile.
Profile

Mr. Solomon stated that in July 1998, the Agency retained Cotton/Bridges/Associates (CBA) to prepare a Housing Needs Assessment for the purpose of providing a profile of the community housing stock that updated 1990 census data and to serve as a guide in determining the adequacy of existing housing programs and the impetus for creating new programs for the Agency. He added that because of the dynamic nature of the housing market, a new profile was prepared to assess current housing programs and the 2001 Housing Profile includes a compilation of current data supplemented by interviews of people in the housing field, and indicates most significantly that very low income households are most affected by a decline in affordable housing choices, and secondly that low income households are most affected by a shortage of larger units with 3 or more bedrooms.

Ms. Warner, representing CBA, summarized salient elements of the Housing Profile including the following findings: the 2000 Census data indicates Burbank's population is approximately 100,000 residents and has grown at the rate of 7.4 percent over the last decade; SCAG projections indicate a 23 percent population increase over the next 20 years; the population growth has been fueled by employment opportunities, a quality school district, and Burbank's regional transportation access; the City's population also shows increasing ethnic and racial diversity; projections with Burbank Unified School District show a 4 percent decline in school-age population; senior population decreased by 800 and also in the 18 to 24-year-old group.

She reported the housing stock numbers 43,000 units, and she reported the following findings: there has been a 10 percent increase in the proportion of multi-family units, along with a slight increase in renters; Burbank has had an increase of over 1,600 new dwelling units over the past decade. She added that the City's housing stock is aging, with over 80 percent of the units being 30 years of age.

She indicated the 2000 Census provided data on vacancy rates which indicated that homes sales prices have gone up 35 percent in this 3-year period, that the average price of \$270,000 represents both single family homes and condos, and that the gap is narrowing between Burbank, Glendale and Pasadena home prices because Burbank's prices have gone up dramatically.

Ms. Warner discussed the housing demand in three income categories, and indicated the current market did not provide for very low income renters, and while it does provide for low income renters, there are currently no vacancies.

Mr. Solomon introduced an overview of what the Agency currently supplies with respect to housing that is affordable to very low income households. He said through the Section 8 Rental Housing Voucher Program, the City's Housing Authority currently administers 1,913 rental units that are affordable to very low income households; however, the Housing Profile indicates an estimated 6,340 very low income households in need of affordable housing.

He added that there is a lack of rental units affordable to larger households, and the shortage of affordable units tends to force very low income households to compete in the market for those

units that are now available and consequently overpay to rent those units. Mr. Solomon added that the Housing Profile notes that moderate income households can afford most rental units that are in the marketplace; however, the availability of larger units continues to be a problem for this income group as well due to the limited number of larger bedroom units which are available.

Mr. Solomon gave a summation of programs currently available as follows: there are 7,000 applicants on the waiting list for Section 8 housing vouchers, and over the last several years, the Agency has been engaged in assisting the Burbank Housing Corporation to buy rental properties and improve them in exchange for strong property management and for the inclusion of affordability covenants that will exist in perpetuity; the Agency continues to try to expand upon units which have covenants placed on them when it participates in new construction projects; the Agency continues to administer a Residential Rehabilitation Program that provides rehabilitation financing to single-family homeowners as well as to apartment owners via deferred and amortized low interest loans; and the Agency has put in place a Mortgage Assistance Program (MAP) that provides down payment assistance to moderate income households.

He stated staff sought authorization to administratively revise several existing programs in light of the findings identified in the Housing Profile by increasing current loan limits to finance bedroom additions under the Single-family and Multifamily Rehabilitation Program, and targeting the use of Agency funds provided to the Burbank Housing Corporation for its projects which provide affordability to low-income households and/or to larger low-income households.

He then introduced Ms. Mack who explained the MAP program guidelines, and proposed future program revisions. She stated that, although the program has generated an incredible amount of interest, the program continues to struggle as evidenced by the fact that there have been over 3800 inquiries about the MAP program, over 3500 of which came directly through the City, resulting in three approved loans, one of which has been funded. She indicated that staff met with the lenders in an effort to address this problem, and it was decided that the current guidelines were preventing buyers from qualifying for the program. She reported that based upon their findings, staff recommended the MAP program be targeted to specific projects/neighborhoods, with both new funding levels and revised guidelines, and stated staff will return with these changes for Agency consideration in the future.

Mr. Solomon stated that staff sought authorization to investigate two new programs to augment the programs currently offered by the Agency, including the initiation of a study on a citywide Inclusionary Housing Ordinance to be applied to future residential developments, and a Debt Buy-Down Program wherein the Agency could reduce a property owner's debt on a multi-family building in exchange for the attachment of affordability covenants. He added that what the Agency will do in providing affordable housing may be influenced by recent State housing legislation, and cited AB 637, a comprehensive housing bill, and SB 975, which widely expands the meaning of "prevailing wages" to extend the concept into new areas.

Motion

It was moved by Ms. Murphy and seconded by Mr. Golonski that the City Council and Redevelopment Agency (a) receive and file the 2001 Housing Profile Study, and instruct staff to (b) implement proposed revisions to the Residential Rehabilitation Program and incorporate income restrictions to future acquisition and rehabilitation projects, to revamp the Mortgage Assistance Program to be geographically targeted and used for future new projects as outlined in the staff report, to reduce the funding level from \$1.5 million to \$300,000 and reprogram the balance into projects, and instructed staff to prepare for Council approval recommendations for future projects pursuant to Council discussion, as well as (c) prepare for future Council/Agency consideration a debt buy-down program to assist owners refinance rental properties in exchange for affordability covenants and explore the preparation of an inclusionary housing ordinance.

Motion
Carried

The motion carried by the following vote:

Ayes: Members Golonski, Laurell, Murphy, Ramos and Kramer.
Noes: Members None.
Absent: Members None.

Motion

It was moved by Mr. Laurell and seconded by Mrs. Murphy that "the following items on the consent calendar be approved as recommended:"

Minutes
Approved

The minutes for the regular meetings of September 18, September 25, October 2, October 16, October 30 and November 27, 2001 were approved as submitted.

RA 47 RESOLUTION NO. R-2018:
Destruction of A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY
Records of the OF BURBANK APPROVING DESTRUCTION OF CERTAIN RECORDS
Redev. Agency IN THE CUSTODY OF THE SECRETARY OF THE REDEVELOPMENT
 AGENCY.

Adopted The consent calendar was adopted by the following vote:

Ayes: Members Golonski, Laurell, Murphy, Ramos and Kramer.
Noes: Members None.
Absent: Members None.

9:43 P.M. The Agency recessed at this time to permit the Housing Authority,
Recess Parking Authority, Youth Endowment Services Fund Board and City
 Council to continue their meetings. The Agency reconvened at
 11:00 p.m. for public comment with all members present.

11:22 P.M. There being no further business to come before the Agency, the
Adjournment meeting was adjourned at 11:22 p.m.

Secretary

APPROVED MARCH 26, 2002

Chairperson