

BURBANK REDEVELOPMENT AGENCY
JUNE 19, 2001

A regular meeting of the Burbank Redevelopment Agency was held in the City of Burbank Fire Training Center, 1845 North Ontario Street, on the above date. The meeting was called to order at 5:02 p.m. by Mr. Kramer, Chairman.

CLOSED SESSION

Present- - - - - Members Laurell, Murphy, Ramos (arrived at 5:03 p.m.) and Kramer.
Absent - - - - - Member Golonski.
Also Present - Mr. Ovrom, City Manager; Ms. Alvord, Assistant City Manager; Mr. Barlow, City Attorney; and, Mrs. Sarquiz, Secretary.

Oral Communications There was no response to Chairman Kramer's invitation for oral communications on Closed Session matters at this time.

5:03 P.M. Recess The Agency recessed at this time to the Fire Training Center to hold a Closed Session on the following:

Conference with Legal Counsel - Anticipated Litigation:
Significant exposure to litigation pursuant to Govt. Code §54956.9(b)(1)
Number of potential case(s): 1

Regular Meeting Reconvened in Council Chambers The regular meeting of the Redevelopment Agency of the City of Burbank was reconvened at 6:34 p.m. by Mr. Kramer, Chairman.

Invocation The invocation was given by Doris Palmer, Elder, Little White Chapel.

Flag Salute The pledge of allegiance to the flag was led by Ms. Alvord, Assistant City Manager.

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; Mrs. Georgino, Assistant Executive Director; and, Mrs. Sarquiz, Secretary.

6:40 P.M. Jt. Hrg. w/City Council RA 70 RA 41 Proposed Adoption of 2000 Amend. to the Redev. Plan for W. Olive Proj. Area Chairman Kramer stated that "this is the time and place for the joint public hearing of the Redevelopment Agency and the Council of the City of Burbank regarding the 2000 Amendment to the Redevelopment Plan for the West Olive Redevelopment Project Area. The various components of this project that require Council and Agency consideration are: a Negative Declaration by the Agency; an Agency resolution approving Rules Governing Participation and Reentry Preferences for Property Owners and Business Occupants, the Method of Relocation and the 2000 Amendment to the Redevelopment Plan for the West Olive Redevelopment Project Area; and Council adoption of an Ordinance approving the Redevelopment Plan Amendment."

Notice
Given

The Secretary was asked if notices had been given as required by law. She replied in the affirmative and advised that a letter objecting to the Plan Amendment was received from Ted McConkey. (It was determined that Mr. McConkey is not an affected property owner.)

Staff
Report

Mrs. Georgino, Community Development Director/Assistant Executive Director, reported on the request for the City Council and Redevelopment Agency to consider an amendment to the West Olive Project Area Redevelopment Plan, originally approved in 1976, that would clarify the cap on the amount of tax increment revenue. She noted that the Plan describes the goals and governs the activities of the Agency within the Project Area and also identifies tax increment revenue as the primary source of revenue for financing the Agency's activities within the area.

She explained that property tax revenue is typically divided between various local taxing entities including the local county, city and school district. When a redevelopment project area is formed, she said a "base year" is established which freezes the level of property tax revenue that will continue to flow to those governmental agencies. She said that any incremental increase in property tax revenue due to an increase in assessed value within a project area (above the base year value) is allocated to the Redevelopment Agency to fund the Agency's activities. She then noted that the original revenues frozen at the base year will continue to flow to other local taxing entities.

Mrs. Georgino discussed that in 1976, the West Olive Project Area formation was challenged by the County of Los Angeles and Los Angeles Community College District. She said the opposition of the County and College District resulted in a stipulated judgement between these entities and the Redevelopment Agency. She noted that the judgement placed certain limits on the Redevelopment Plan and also included the requirement that the Agency make pass through payments of tax increment revenue to the County and College District.

Pursuant to California Community Redevelopment Law (CRL), she said all redevelopment plans adopted prior to 1994 are required to include a cap on the amount of tax increment revenue a redevelopment agency may collect. She said the West Olive tax increment cap is \$60 million.

Mrs. Georgino explained that staff received direction from the Redevelopment Agency to negotiate with the County toward a clarification of the \$60 million tax increment cap. However, rather than continuing to negotiate clarification of the cap, she said the County Counsel favored a full redevelopment plan amendment as the best method of clearing up the issue. Pursuant to that desire by the County, she noted that the Redevelopment Agency on January 11, 2000, directed staff to begin processing an amendment to the West Olive Project Area to clarify the calculation of the cap on the amount of tax increment the Agency may receive.

She then discussed that the proposed Plan Amendment would enable the Agency to fund major public improvements to correct infrastructure deficiencies and allow the Agency to continue to collect tax increment equal to the original \$60 million cap. She noted that the funds are proposed to be used for the following infrastructure improvements: street improvements, freeway improvements, intersection improvements, street widening/capacity enhancements, computerized traffic signal control systems, electrical distribution system improvements, landscape/streetscape improvements, sewer improvements and water improvements. She noted that the Plan Amendment was the only way for these necessary infrastructure improvements (evidence of blight) to be funded.

Mrs. Georgino then said that the proposed Plan Amendment includes the following key documents for Agency and City Council approval: Amended and Restated Plan, Relocation Rules, Owner Participation Rules, Report to City Council and Negative Environmental Declaration.

Next, she explained the process of amending a redevelopment plan as established in the California CRL. As a first step in the process, she said the Planning Board on February 28, 2000, adopted a resolution formulating and approving the Preliminary Plan for the proposed 2000 Amendment to the West Olive Redevelopment Plan. Then on March 7, 2000, she said the Agency approved the Preliminary Plan and authorized staff to make the transmittals to affected taxing entities as required pursuant to CRL Section 33327.

Subsequently, on August 8, 2000, she said the Agency adopted a resolution receiving the draft Amendment, draft Preliminary Report, draft Owner Participation and Business Reentry Preference Rules,

and approval of a draft Method of Relocation for the proposed Amendment. She noted that these documents were transmitted to all affected taxing agencies on August 24, 2000. Then, following a review of the documents, on November 21, 2000, she said the County adopted a resolution authorizing the Amendment.

Subsequently, on November 27, 2000, she said the Planning Board adopted separate resolutions finding that the Amendment is in conformance with the City's General Plan, but recommended against the approval of the Amendment. On December 12, 2000, she said the City Council and Redevelopment Agency adopted resolutions consenting to and setting the time and date for a required joint public hearing. She also said that staff held a public information meeting on January 10, 2001, to provide a forum for interested citizens to learn more about the Amendment and provide input.

Mrs. Georgino then said that on January 23, 2001, the City Council directed staff to resubmit the proposed Amended and Restated Redevelopment Plan to the Planning Board for their reconsideration. On February 12, 2001, she said the Planning Board reconsidered and reaffirmed their earlier recommendation against the Amendment. As a result of the Planning Board action, she noted that the City Council must approve the Plan Amendment by a two-thirds margin in order for the Amendment to take effect.

Mr. Hanway, Financial Services Director, discussed the financial impact to the City if the Plan Amendment is not approved. He said the Amendment will allow the City to capture twice the amount of revenue and the Redevelopment Agency will receive approximately 50 percent of each dollar of property tax. He noted that if the Plan is terminated, the City would only receive 18 to 22 percent of each dollar.

He further discussed the impacts of the Amendment to the Burbank Unified School District. He said the District will receive pass-through payments and the State will also guarantee minimum funding levels through "backfill" payments. He noted that 56 percent of the pass-through payments will be available for facilities, but does not count as a local matching fund.

Lastly, Mrs. Georgino said that at the close of the joint public hearing, the Agency may consider approving the following: a resolution adopting the Owner Participation Rules and Method of Relocation, and approving the Amended and Restated

Redevelopment Plan and Report to Council; and, a resolution approving the Negative Environmental Declaration. She then said that if no written objections are received prior to or during the joint hearing from an affected taxing entity or property owner, the Council may conduct the first reading of the proposed ordinance adopting and approving the 2000 Amendment to the Plan. However, she noted that if written objections are received, the City Council must direct staff to prepare written responses to the written objections and return to the Council on July 10, 2001.

Citizen
Comment

Appearing to comment were Joseph Ricciardella, stating he lives on Lima Street near an apartment building on Alameda and noting there is a rumor that this building will be acquired by the Agency through the eminent domain process, stating his opposition to the Platt project noting it is too large for the area and stating his belief that the Bob Hope land is a blighted area; Margie Gee, on concern that the Redevelopment Plan Amendment will allow for the parking space and number of parking spaces to be reduced noting overall problems with parking in the area, and opposing redevelopment activities; Ted McConkey, stating he submitted a letter which states his objections to the Plan Amendment and his concern that comments and questions addressed by the public and himself at the Planning Board were not responded to, on the need for a full financial audit of the Project Area to be completed and asking the Council/Agency to postpone action until all issues are dealt with, and stating he filed a Conflict of Interest complaint with the Fair Political Practices Commission against Mr. Golonski as he owns property in the Project Area and noting that although the complaint was found to be inconclusive, he feels Mr. Golonski should still abstain from voting on the matter; Bob Etter, on concern with more traffic to be generated by the Amendment; David Piroli, on concern that funding in redevelopment project areas does not get used to construct essential City services, on concern with redevelopment activity, noting his belief that Burbank has very few blighted areas, and on concern with a reduction in parking size spaces; Mike Nolan, on the history of the West Olive Redevelopment Project and the objection of the Project from the County Board of Supervisors in 1976.

Hearing
Closed

There being no further response to the Chairman's invitation for oral comment, the hearing was declared closed.

Motion

It was moved by Mrs. Murphy and seconded by Mr. Golonski that "the following resolutions be passed and adopted:"

RA 70
Adopt Neg. Dec.
of the 2000
Amend. to Redev
Plan for W. Olive
Redev. Proj. Area

RESOLUTION NO. R-2002:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK ADOPTING THE NEGATIVE DECLARATION PREPARED IN CONNECTION WITH THE 2000 AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE WEST OLIVE REDEVELOPMENT PROJECT AREA.

RA 70
RA 41
Adopt rules,
Method of reloc.
& approved
amended Redev.
Plan of the 2000
Amend. to the W.
Olive Redev. Proj.
Area

RESOLUTION NO. R-2003:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK ADOPTING RULES GOVERNING PARTICIPATION AND REENTRY PREFERENCES FOR PROPERTY OWNERS AND BUSINESS OCCUPANTS; ADOPTING THE METHOD OF RELOCATION; AND APPROVING THE AMENDED AND RESTATED REDEVELOPMENT PLAN AND THE REPORT TO CITY COUNCIL IN CONNECTION WITH THE PROPOSED ADOPTION OF THE 2000 AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE WEST OLIVE REDEVELOPMENT PROJECT AREA.

Adopted The resolutions were adopted by the following vote:

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

City Council
Ordinance
Introduced

City Council Ordinance Approving and Adopting the 2000 Amendment to the Redevelopment Plan for the West Olive Redevelopment Project was introduced and the title read.

9:27 P.M.
Jt. Mtg. w/City
Council, Housing
Auth., Parking
Auth. & YES
Fund Board
RA 42-1
Adopt FY 2001-
2002 Annual
Budget, Citywide
Fee Schedule &
Appro. Limit

Mr. Hanway, Financial Services Director, reported on the request for City Council, Redevelopment Agency, Housing Authority, Parking Authority and Youth Endowment Services (YES) Fund approval of the proposed Annual Budget for Fiscal Year (FY) 2001-02, Citywide Fee Schedule, and Appropriations Limit. He noted that the total proposed resources for all funds for FY 2001-02 are \$586,179,956 and the total proposed appropriations are \$579,449,928.

He explained that the proposed Citywide Fee Schedule is reviewed and updated annually as part of the budget process in an effort to document all fees, charges, taxes, rates and fines that have been revised or changed during the previous year. He noted that at the June 12, 2001 public hearing, the Council directed staff to change

the permit parking fees from \$3 to \$4 per annual permit rather than the proposed \$6 cost per permit.

Lastly, Mr. Hanway discussed that the City is required by State law to establish an appropriation limit each fiscal year. He said that only those revenues received from proceeds of taxes are subject to this limit. He then noted that the City's FY 2001-02 appropriation limit is estimated to be \$98,919,348 with the actual amount of the appropriation contained in the budget that is subject to the limit being \$78,880,887. Thus, he said that the difference between the City's appropriation limit and the amount subject to it \$20,038,461 which results in the City having a significant gap between its legal limit and the actual appropriations subject to the limit.

Motion	It was moved by Mr. Golonski and seconded by Mrs. Murphy that "the following resolutions be passed and adopted:"
City Council Reso. Adopted	City Council Resolution No. 26,030 Adopting the Budget for Fiscal Year 2001-02, Providing for the Transfer of Revenue from the Burbank Water & Power Department to the General Fund, and Making Appropriations for Amounts Budgeted was adopted.
City Council Reso. Adopted	City Council Resolution No. 26,031 Determining and Establishing the City's Appropriations Limit for Fiscal Year 2001-02 was adopted.
City Council Reso. Adopted	City Council Resolution No. 26,032 Adopting the Burbank Fee Resolution was adopted.
City Council Reso. Adopted	City Council Resolution No. 26,033 Amending the Budget for Fiscal Year 2000-01 Providing for the Purpose of Making Appropriations for Amounts Delineated was adopted.
City Council Reso. Adopted	City Council Resolution No. 26,034 Adopting the Budget for Fiscal Year 2001-2002 for the Redevelopment Agency of the City of Burbank was adopted.
RA 42-1 Adopt FY 2001- 2002 Budget	<u>RESOLUTION NO. R-2004:</u> A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK ADOPTING THE BUDGET FOR FISCAL YEAR 2001-2002.

6/19/01

RA 42-1
Appro. Limit for
FY 2001-2002

RESOLUTION NO. R-2005:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK DETERMINING AND ESTABLISHING THE APPROPRIATIONS SUBJECT TO APPROPRIATIONS LIMIT FOR FISCAL YEAR 2001-2002.

Housing Auth.
Reso. Adopted

Housing Authority Resolution No. H-165 Adopting the Budget for Fiscal Year 2001-2002 was adopted.

Parking Auth.
Reso. Adopted

Parking Authority Resolution No. P-51 Adopting the Budget for Fiscal Year 2001-2002 was adopted.

YES Fund
Reso. Adopted

Youth Endowment Services Fund Resolution No. Y-22 Adopting the Budget for Fiscal Year 2001-2002 was adopted.

Adopted

The resolutions were adopted by the following vote:

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

9:32 P.M.
Recess

The Agency recessed at this time to permit the City Council to continue its meeting. The Agency reconvened at 10:13 p.m. for public comment with all members present.

10:34 P.M.
Adjournment

There being no further business to come before the Agency, the meeting was adjourned at 10:34 p.m.

Secretary

APPROVED JULY 31, 2001

Chairperson