

BURBANK REDEVELOPMENT AGENCY
JULY 23, 2002

A regular meeting of the Burbank Redevelopment Agency was held in the City of Burbank Council Chamber, 275 East Olive Avenue, on the above date. The meeting was called to order at 6:56 p.m. by Mr. Laurell, Chairman.

ROLL CALL

Present- - - - Members Golonski, Murphy, Ramos, Vander Borgh and Laurell.
Absent - - - - Members None.
Also Present - Mr. Ovrom, City Manager; Mr. Barlow, City Attorney; and, Mrs. Campos, Secretary.

Invocation The invocation was given by Pastor William Brunold, First Lutheran Church.

Flag Salute The pledge of allegiance to the flag was led by Dink O'Neal, Art in Public Places Committee Member.

7:13 P.M. Chairman Laurell stated that "this is the time and place for the joint
Jt. Public Hrg. w/ public hearing of the Burbank Public Financing Authority, the
Council and Redevelopment Agency and the Council of the City of Burbank
Burbank Public regarding the issuance of Burbank Public Financing Authority
Financing Auth. Revenue Bonds, 2002 Series A (Redevelopment Agency of the City
RA 74 of Burbank--West Olive Redevelopment Project) pursuant to Section
Issuance of Up to 6584 of the Government Code and regarding the restatement of the
\$14 Million in Agency's commitment to fund an electric substation facility located
Burbank Public at Hollywood Way and Alameda Avenue and a temporary off-ramp
Financing Auth. project in conjunction with Caltrans SR-134 Ramp Improvement
Revenue Bonds, Project as required by Health and Safety Code Sections 33445 and
2002 Series A 33679. A Negative Declaration has been prepared."
(Redev. Agency
Tax Allocation
Bonds-W. Olive
Redev. Proj.)

Notice Given The secretary was asked if notices had been given as required by law. She replied in the affirmative and advised that no written communications had been received.

Staff Report Mr. Hanway, Financial Services Director, stated staff requests the issuance of \$14 million of tax increment bond financing through the use of the Burbank Public Financing Authority Revenue Bonds for use by the West Olive Redevelopment Project Area, in addition to amending an existing Cooperation Agreement between the City and the Redevelopment Agency which specifies how project funds will be used. He indicated the bond amount was predicated on a

variety of factors, including: 1) this will undoubtedly be the final bond issue of the West Olive Redevelopment Project; 2) influences on bond size include the interest rate market at the time the bonds are priced, as well as the City's ability to insure the bonds; 3) the \$60 million net tax increment cap of the plan; 4) the ability to collect tax through 2026, assuming the cap has not been reached before that date; and, 5) the current annual net tax increment generated from the project area.

He noted that, to address the City's concern of safeguarding the potential investors in the event the Project Area reaches the \$60 million net tax increment cap prior to the 2026 expiration on the bonds, an annual test will measure the cumulative net tax increment collected versus an established amount, and any amount collected above the amount will be funded into an escrow account to be used to diffuse the debt or pay a regularly-scheduled debt service payment.

Mr. Hanway reiterated that the bulk of the funds will be used to build a new off-ramp to the Westbound SR 134 Freeway as well as to relocate an existing electrical distribution substation from the corner of Hollywood Way and Alameda Avenue, that the funds represent the City's local match to a larger CalTrans project to build a new on-ramp to the Westbound SR 134 Freeway, and noted the project will relieve traffic congestion in the area.

In terms of the structure of the bonds, Mr. Hanway stated that the first interest payment will be made on December 1, 2002 with a final maturity scheduled for December 1, 2026, and that the average annual gross debt service approximates \$965,000.

Hearing
Closed

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

Burbank Public
Financing Auth.
Reso. Adopted

Burbank Public Financing Authority Resolution No. F6 Authorizing the Issuance of Revenue Bonds to Make a Loan to the Redevelopment Agency of the City of Burbank in Connection with the Agency's West Olive Redevelopment Project Area, Authorizing and Directing Execution of a Related Indenture of Trust and a Related Loan Agreement, Authorizing the Sale of Bonds, Approving an Official Statement, and Authorizing Official Actions in Connection Therewith was adopted.

Motion

It was moved by Mr. Vander Borcht and Ms. Murphy that "the following resolution be passed and adopted:"

