

BURBANK REDEVELOPMENT AGENCY
NOVEMBER 26, 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 6:30 p.m. by Mr. Laurell, Chairman.

CLOSED SESSION

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

Invocation The invocation was given by Reverend Paul Clairville, Westminster Presbyterian Church.

Flag Salute The pledge of allegiance to the flag was led by Mike Flad, Park, Recreation and Community Services Director.

ROLL CALL

Present- - - - - Members Golonski, Murphy, Ramos, Vander Borght and Laurell.
Absent - - - - - Members None.
Also Present - - Ms. Alvord, Assistant City Manager; Mr. Stevenson, Senior Assistant City Attorney; Mrs. Georgino, Assistant Executive Director; and, Mrs. Campos, Secretary.

8:19 P.M. Meeting Continued Following a City Council public hearing, the Redevelopment Agency and the Council held a joint public hearing.

8:19 P.M. Jt. Public Hrg. w/City Council RA 62 Opportunity Site No. 2 (Old Police Block) Chairman Laurell 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 Burbank Village Walk project proposed by Olson Urban Housing LLC. Staff has recommended that this matter be taken off calendar at this time. It will be renoticed at a later date. What is the Council's pleasure? Is there any discussion or a motion?"

Motion It was moved by Ms. Murphy, seconded by Mr. Golonski and carried that "the hearing be cancelled."

8:20 P.M. Recess The Agency recessed at this time for oral communications. The Agency reconvened at 9:23 p.m. with all members present.

- Motion It was moved by Mr. Golonski and seconded by Ms. Murphy that "the following items on the consent calendar be approved as recommended:"
- Minutes Approved The minutes for the regular meeting of November 12, 2002 were approved as submitted.
- Adopted The consent calendar was adopted by the following vote:
- Ayes: Members Golonski, Murphy, Ramos, Vander Borght and Laurell.
 Noes: Members None.
 Absent: Members None.
- 9:23 P.M.
 Mr. Vander Borght Left the Meeting Mr. Vander Borght left the meeting at this time.
- RA 60
 Former Newberry Bldg. (328-330 N. San Fernando) Mrs. Evans, Assistant Community Development Director, stated that at its previous meeting, The Agency Board approved a Downtown Tenant Assistance Program (DTAP) with a goal of attracting retail tenants into the downtown and filling vacant retail space. Mrs. Evans stated the proposed agreement represents the first application for the DTAP. She outlined the general terms of the program, including to provide financial assistance for structural and tenant improvements for underutilized and vacant properties downtown, provides forgivable market rate loans as financial incentives to attract quality retail tenants to locate in the downtown and that the program is available to retail tenants interested in locating downtown or property owners interested in attracting retail tenants in the downtown area. She noted that on September 24, 2002, the Agency conceptually approved the DTAP and initial funding of \$1.5 million as part of a comprehensive funding strategy to implement the downtown revitalization strategy.
- Mrs. Evans further stated that the specific proposal before the Board is for the improvement of the vacant Newberry building. She said the developer is Tucker Investment Group (TIG) and the retailer is Urban Outfitters; the terms of the loan fall within the approved program. The former Newberry Building represents one of the Agency's targeted vacant sites and Urban Outfitters represents an important retail addition to the downtown.
- Mrs. Evans then stated that each loan request would be analyzed

and presented to the Agency Board on its own merits using the DTAP general guidelines. She noted the proposal has been reduced from \$75 per square foot to \$50 per square foot and the total leased area increased from 11,000 to 15,000 square feet, with the provision to the agreement that the Agency will share 50 percent of any percentage rents that flow to the owner.

Mrs. Evans reported that in this case, with the Agency loan of \$742,000, the developer's return is approximately 8.5 percent rather than 10 percent from the private market. The real benefit of the project, she noted, is that it acts as a catalyst to bring other retailers to the downtown.

Mrs. Georgino responded to concerns raised during oral comment.

Council Members Golonski and Murphy stated they would not support that great of a subsidy for a single tenant, noting that it represented one-half of the \$1.5 million allocated for DTAP projects. Council Member Golonski stated he would only support a loan of \$500,000.

Mayor Laurell asked Mrs. Georgino she feels there is room for compromise with the applicant.

Mr. Tucker, the developer, was recognized by the Council and stated that he felt Urban Outfitters would be an important catalyst for the downtown, but would not be open to further negotiations; they are on a very tight schedule.

Motion It was moved by Mrs. Ramos and seconded by Mr. Laurell that "the following resolution be passed and adopted:"

RA 60 A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY
Commercial OF BURBANK APPROVING A COMMERCIAL REHABILITATION
Rehab. Loan w/ AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND
Tucker Invest. TUCKER INVESTMENT GROUP FOR THE REHABILITATION AND
Group (Former IMPROVEMENT OF THE FORMER NEWBERRY BUILDING.
Newberry Bldg.)

Motion Failed The motion failed with the following vote:

Ayes: Members Ramos and Laurell.
Noes: Members Golonski and Murphy.
Absent: Member Vander Borcht.

10:01 P.M.
Mr. Vander
Borght Returned
to the Meeting

Mr. Vander Borght returned to the meeting at this time.

10:01 P.M.
Recess

The Agency recessed at this time to permit the City Council to continue its meeting. The Agency reconvened at 11:14 p.m. for public comment with all members present.

11:47 P.M.
Adjournment

There being no further business to come before the Agency, the meeting was adjourned at 11:47 p.m.

Secretary

APPROVED FEBRUARY 18, 2003

Chairperson