

BURBANK REDEVELOPMENT AGENCY
DECEMBER 10, 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 6:48 p.m. by Mr. Laurell, Chairman.

Invocation The invocation was given by Member Marsha Ramos.

Flag The pledge of allegiance to the flag was led by the Burbank Viking
Salute Cheer Squad.

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. Moioffer, Deputy Secretary.

7:17 P.M. Chairman Laurell stated that "this is the time and place for the joint
Jt. Public Hrg. w/ public hearing of the Redevelopment Agency, Housing Authority
City Council & and the Council of the City of Burbank regarding the approval of a
Housing Auth. Cooperation Agreement between the Agency, Authority and City,
RA 42 and the consideration of the Agency's commitment of property tax
RA 42-1 increment funds to pay for a portion of the costs of the proposed
Approval of Development & Community Services Building, the DCSB. Also for
Schematic consideration as part of tonight's item is the schematic design and
Design schematic design budget for the DCSB."
& Budget for Dev
& Community
Srvs. Bldg. Proj,
Phase I

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

Staff Mr. Clifford, Capital Project Manager, presented a report on Phase 1
Report of the Civic Center Master Plan which specifically includes the
Development and Community Services Building (DCSB) and related
on-site and off-site improvements. He stated the purpose of this
report is to request Council approval of the schematic design
budget and schematic design, or a final conceptual plan, which
precedes the development of the final design documents. The
design team presented an overview of the project's master plan, the
DCSB, landscape elevations, floor elevations, and the interior atrium
space, presented a project milestone schedule, design costs and
comparison of the current schematic design program with the
conceptual program presented to the Council in December 2000,
and the financial mechanisms to fund the project.

Mr. Clifford stated that the primary focus of the DCSB is to meet the business needs of the general public and the business community for permitting, licensing, property research and information. He stated the DCSB will house the Public Works Department, the Community Development Department, Park, Recreation, and Community Services Department, and the Public Information Office which provide critical services to the public.

Mr. Clifford stated that in December 2000, the Council approved a conceptual master plan which included a 57,200 square foot, three-story facility to provide office space for approximately 153 staff members and had minimal off-site improvements. In November 2001, Widom Wein Cohen O'Leary Terasawa (WWCOT) was retained as the architectural planning and design service, and in January 2002, Turner Construction was retained for pre-construction services. In April 2002, the Council accepted the master plan and directed staff to further proceed with phase one of the master plan.

Ms. Cohen-Gehring, Principal with WWCOT and the project's Design Architect, discussed the renderings of the various elevations and interior design of the DCSB, and the need to have a Civic District with all the City facilities tied together. She stated that the Civic Center is defined as City Hall, the Police/Fire Facility, a new future Central Library, a new DCSB, a five-level parking structure, and a corner plaza at East Olive Avenue and Third Street. She also noted the addition of a new pedestrian edge along Third Street, linking the Village Center, City Hall and the DCSB with a mid-block crossing and a variety of street improvements.

Mr. Clifford then discussed the Leadership in Energy and Environmental Design (LEED), which is a standard for rating a green building, is administered by the U. S. Green Building Council and is recognized by various authorities including the United States Government, numerous universities and several state and local governments. The LEED criteria are based on the consensus of industry experts and provide an independent and strictly defined set of criteria. A green building is a design and construction practice that significantly reduces the negative impact of a building on the environment and its occupants. He stated that this project is going to be a LEED-certified building which is the bottom tier of the LEED certification. Economically, it makes sense for the City to obtain this LEED certification and it will be the first such building in the City Limits. Some of the program elements include the atrium which will provide natural daylighting; low-energy water consumption through mechanical, electrical and plumbing design; materials with recycled content; and, better indoor air quality.

Mr. Clifford then stated that the Council's approval will allow for the continuation of the final design process through completion and Agency-approval of the 100 percent construction documents. He noted the design development phase is due to be completed next month. Council approval of the Guaranteed Maximum Price (GMP) contract award for the construction and documents in September 2003, commencing the construction in September 2003, substantial completion in December 2004, with DCSB occupancy in January 2005.

Mr. Clifford then discussed the increase in the cost of the project from \$13.9 million in December 2000 to \$25.5 million, which included off-site improvements for the Master Plan and Civic Center; the increase in square footage of the building with the inclusion of the Public Information Office as a tenant; a 100-seat community room; a staff increase from 153 to 190; the City's commitment to LEED; the expansion in street improvements; and, on-site improvements such as the overhead utility line relocations.

Mr. Hanway, Financial Services Director, discussed the fiscal impact of this project, the proposed funding sources and the annual bond debt service cost. Mr. Hanway stated that the building will be occupied by other than General Fund employees and therefore some of the costs should be allocated from those funds such as the Redevelopment Agency (\$682,000), Housing Authority (\$220,00), Water Reclamation and Sewer Fund (\$6,600), the Golf Course Fund (\$23,700), and Refuse Collection and Disposal Fund (\$5,900). He discussed the allocations of funds based on the percentage of occupancy related to those funds. Mr. Hanway stated that to date the General Fund has funded more than \$2.4 million for the project and staff is proposing to fund some of the add-ons that were not part of the original budget from last year's budget savings, which is about \$600,000.

He stated staff is proposing to use the \$360,000 for one year's budget for street lighting/undergrounding to fund the undergrounding utilities on the block. In addition, Mr. Hanway stated that a large portion of the LEEDS cost is public benefits charge eligible. The General Government has a one percent responsibility for public benefits charge related funds so staff is proposing to fund \$1.5 million out of the amount that is currently being set aside for the electric utility rate increases which will help meet the City's public benefit commitment. In addition, he stated, the Art in Public Places piece is the fountain in the plaza which is much greater than the budgeted \$150,000, so staff will be requesting to fund \$150,000 for the art component out of the funds available.

Mr. Hanway then discussed recurring payment, stating that staff had been ramping up \$1,087,000 in the five-year financial forecast for the DCSB building. The plans are to allocate a piece of the net debt service, estimated to be \$1,755,000 for the financing to raise the approximately \$19.5 million on an on-going basis, according to their occupancy, to the Redevelopment Agency, Housing Authority, Proposition A and C Transportation Funds, as well as the Sewer Fund, Golf Course Fund, and Refuse Fund their share. There will be two years of capitalized interest as part of the financing and two years or later, the City would start making debt service payments.

Mr. Clifford concluded by stating that staff envisions the establishment of at least two safety nets that will enable staff and Council to maintain complete control of this project by retaining the necessary flexibility to redirect the project pending the State budget impacts. He stated that staff will return to the Council at least twice prior to commencing construction, the first being approximately June or July 2003 for approval of the bond issuance process and in September 2003 to obtain formal approval of the GMP, 100 percent construction documents, and award of a contract for the construction manager at risk.

Citizen
Comment

Appearing to comment were Mike Nolan, stating the City should not go through with this project at this time, citing funding was not available in the City Centre Project because \$9 million was spent on the AMC project, so funding has to come from the Golden State Redevelopment area, and recommending that staff wait until the economy is more stable before constructing the building; Todd Campbell, on the LEED aspect of building, noting that funds invested in a LEED-certified building will be an ultimate advantage to employees working there, and stating there are funds available that may support these aspects of the building, noting that the City has an opportunity to take a leadership role in developing a green building and strive for a higher level of participation rather than settle for the minimum level; and David Piroli, expressing problems with utilizing other fund sources and encouraging the Council not to commit sewer funds to this project.

Hearing
Closed

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

City Council
Reso. Adopted

City Council Resolution No. 26,370 Approving a Cooperation Agreement among the City, the Redevelopment Agency of the City of Burbank, and the Housing Authority of the City of Burbank and Approving the Payment of the Cost of the Installation and

12/10/02

Construction of Public Improvements to be Owned and Operated by the City was adopted for planning only, not construction.

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

RA 42
Approved Coop.
Agrmt. w/City &
Housing Auth.
for
Public
Improvemt.

RESOLUTION NO. R-2046:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING A COOPERATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY, THE CITY OF BURBANK, AND THE HOUSING AUTHORITY OF THE CITY OF BURBANK, AND APPROVING THE PAYMENT OF THE COST INSTALLATION AND CONSTRUCTION OF PUBLIC IMPROVEMENTS TO BE OWNED AND OPERATED BY THE CITY.

Adopted The resolution was adopted by the following vote:

Ayes: Members Golonski, Murphy, Ramos, Vander Borght and Laurell.

Noes: Members None.

Absent: Members None.

Housing Auth.
Reso. Adopted

Housing Authority Resolution No. H-177 Approving a Cooperation Agreement Among the Housing Authority, the Redevelopment Agency of the City of Burbank, and the City of Burbank was adopted.

City Council
Reso. Adopted

City Council Resolution No. 26,371 Amending the Budget for Fiscal Year 2002-2003 for the Purpose of Funding Additional Costs of the Development and Community Services Building (DCSB) Project Phase 1 was adopted.

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

RA 42-1
Amend FY 02-03
Budget for DCSB
Proj., Phase 1

RESOLUTION NO. R-2047:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AMENDING THE BUDGET FOR FISCAL YEAR 2002-2003 FOR THE PURPOSE OF FUNDING ADDITIONAL COSTS OF THE DEVELOPMENT AND COMMUNITY SERVICES BUILDING (DCSB) PROJECT, PHASE 1.

2000 and refines the Agency's activities through 2004. He stated the overall purpose of the Plan Update is to draw a clear connection between the Agency's projects and the requirement to eliminate blight, and to achieve housing policies.

Mr. Garcia then stated that the Plan is composed of two fundamental components, a Redevelopment component that addresses the general Agency programs, including capital improvements, economic and business development programs, and a Housing component providing information about the Agency's housing program inclusionary housing and replacement housing obligations, and Low/Moderate Income Housing Fund programs.

Mr. Garcia noted some of the qualifying projects as the Burbank Village Entertainment project, planned development for Opportunity Site #2 known as Burbank Village Walk, and the South San Fernando Streetscape project.

Mr. Garcia stated that the Housing Component sets forth how the goals of the housing preservation and production will be met and how statutory requirements for low and moderate income housing fund and tax increment will be fulfilled and given the significant changes to the current Plan, this update serves as an amendment rather than a supplement to the original Plan. In large part, the substantive changes to the mid-cycle update to the Plan results from incorporating the new goals and specific program objectives adopted as part of Burbank's 2000-2005 Housing Element. The 2000-2004 Implementation Plan housing goals were originally based on the City's 1989 Housing Element. He noted that two of the Housing goals are to promote housing opportunities at prices affordable to all economic segments of the community and to increase the number of day care and after school achievement centers throughout neighborhood revitalization areas.

Citizen
Comment

Appearing to speak were Howard Rothenbach, questioning what properties in the South San Fernando Redevelopment Project Area the Agency purchased for \$12 million, noting he was under the impression it should include the land on the west side of San Fernando where the City plans to build a continuation school and a park and a recreation area, and expressing his opinion that if the City denies a business owner the opportunity to expand his business in that area, the Agency should also consider purchasing that property; Mike Nolan, stating that \$9 million went from the Redevelopment Agency to support a new AMC Theater and looking at the relationships between the Redevelopment Project Areas is confusing to the public, and questioning the use of funds for the

DCSB rather than meeting affordable housing goals; Esther Espinoza, on the redevelopment of San Fernando Road and expressing concern on residents being relocated prior to projects being started.

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

Motion It was moved by Mr. Golonski and seconded by Ms. Murphy that "the following resolution be passed and adopted:"

RA 50 RESOLUTION NO. R-2048:
RA 60 A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY
RA 70 OF BURBANK UPDATING AND RESTATING THE IMPLEMENTATION
RA 90 PLAN FOR THE GOLDEN STATE, CITY CENTRE, WEST OLIVE AND
Update & Restate SOUTH SAN FERNANDO REDEVELOPMENT PROJECT AREAS.
Implementation
Plan for Golden
State, City Ctr.,
W. Olive & S.
San Fernando
Redev. Proj Areas

Adopted The resolution was adopted by the following vote:

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

9:36 P.M.
Recess The Agency recessed at this time to permit the City Council to continue its meeting. The Agency reconvened at 10:37 p.m. with all members present.

RA 47 RESOLUTION NO. R-2049:
Approved A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY
Destruction of OF BURBANK APPROVING DESTRUCTION OF CERTAIN RECORDS
Certain Redev. IN THE CUSTODY OF THE SECRETARY OF THE REDEVELOPMENT
Agency Records AGENCY.

Adopted The consent calendar was adopted by the following vote:

Ayes: Members Golonski, Murphy, Ramos, Vander Borght and

12/10/02

Laurell.

Noes: Members None.

Absent: Members None.

RA 49
Method Fest Film
Festival

Ms. Stewart stated that the Redevelopment Agency has been approached by representatives of Method Fest, an independent film festival, for assistance in relocating their annual festival from Pasadena to Burbank. She stated that the assistance would be in the form of a grant from the Redevelopment Agency as a sponsor to help defray some of their expenses and, in turn, the festival will generate more business to the downtown area; the festival is planned for April 11-18, 2003, and will be marking its fifth annual event. Ms. Stewart stated that the total budget for the event is \$150,000 of which \$25,000 is proposed to be paid by the Agency. She stated that Method Fest is one of the only festivals that focuses on the actors, honoring the work of new artists and future stars, as well as career defining performances of established actors. In addition, she stated, the festival offers panels and discussion groups, educational seminars and workshops, as well as parties and receptions.

Ms. Stewart then introduced Mr. Franken, Executive Director of Method Fest, to present additional information on the program. He stated the event is unique in that people attending the event get to meet actors, directors, and producers. He also stated that the festival offers a huge business potential to Burbank by bringing to the City shoppers, visitors and possibly future residents; the festival has been growing each year in Pasadena and he feels the festival would be better served in Burbank as Burbank is home to many of the leading motion picture companies as well as the acting community.

Motion

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

RA 49
Economic Dev. &
Sponsorship
Agrmt. w/
Southern Calif.
Sports Asso.
(Method Fest
Film Festival)

RESOLUTION NO. R-2050:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING THE TERMS AND PROVISIONS OF AN ECONOMIC DEVELOPMENT AND SPONSORSHIP AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AND THE SOUTHERN CALIFORNIA SPORTS ASSOCIATION, INC. (METHOD FEST FILM FESTIVAL).

Adopted

The resolution was adopted by the following vote:

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

11:04 P.M.
Recess The Agency recessed at this time to permit the Housing Authority, Parking Authority and City Council to continue their meetings. The Agency reconvened at 12:07 a.m. for public comment with all members present.

12:19 A.M.
Adjournment There being no further business to come before the Agency, the meeting was adjourned at 12:19 a.m.

Deputy Secretary

APPROVED FEBRUARY 18, 2003

Chairperson