

BURBANK REDEVELOPMENT AGENCY
DECEMBER 17, 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 6:37 p.m. by Mr. Laurell, Chairman.

CLOSED SESSION

Present- - - - - Members Murphy, Ramos, Vander Borght and Laurell.
Absent - - - - - Member Golonski.
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 Ron Degges, Little White Chapel.

Flag The pledge of allegiance to the flag was led by John and David
Salute Schwer, Members of the Stealth 5th and 6th Grade Football Team.

ROLL CALL

Present- - - - - Members Murphy, Ramos, Vander Borght and Laurell.
Absent - - - - - Member Golonski.
Also Present - - Ms. Alvord, Assistant City Manager; Mr. Stevenson, Senior Assistant City Attorney; Mrs. Georgino, Assistant Executive Director; and, Mrs. Campos, Secretary.

7:01 P.M. Commissioner Laurell stated that staff requested to continue the
Jt. Public Hrg. w/ joint public hearing with the Redevelopment Agency and the Public
Council & Public Financing Authority regarding the issuance of up to \$117 million in
Financing Auth. Burbank Public Financing Authority Revenues Bonds, 2003 Series A
RA 42 (Redevelopment Agency Tax Allocation Bonds for the Golden State
RA 50 and South San Fernando Redevelopment Projects).
RA 90
Issuance of
Burbank Public
Financing Auth.
Revenue Bonds,
2003 Series A
(Redev. Agency
Tax Allocation
Bonds – Golden
State & So. San
Fernando Redev.
Projects)

Motion It was moved by Mr. Vander Borght and seconded by Ms. Murphy that "this item be postponed to the January 14, 2003 City Council meeting."

- Carried The motion carried by the following vote:
- Ayes: Members Murphy, Ramos, Vander Borght and
 Laurell.
- Noes: Members None.
- Absent: Member Golonski.
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- 7:01 P.M.
Recess The Agency recessed at this time to allow the City Council and
 Burbank Public Financing Authority to continue their meetings. The
 Agency reconvened at 8:18 p.m. with the same members present.
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- 8:18 p.m.
Mr. Vander
Borght left the
Meeting Mr. Vander Borght left the meeting at this time.
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- RA 60 Ms. Jenniffer Mack, Redevelopment Project Manager, presented the
Former Newberry report on the renegotiated proposal for the former Newberry
Bldg. (328-330 property. She stated that in November 2002, the Agency
N. San Fernando considered a Downtown Tenant Assistance Program (DTAP) with
Blvd.) the goal of attracting tenants to the downtown area and to fill
 vacant and underutilized properties. She further stated that the
 program allows for a maximum Agency loan of 80 percent of the
 base building and improvement costs not to exceed \$75 per square
 foot. The loan term is 10 years with annual payments forgiven for
 every year that an approved tenant is in place. Ms. Mack stated
 that on November 26, 2002 the Agency considered its first proposal
 from the Tucker Investor Group for \$742,500 in financial assistance
 for building and tenant improvements under the DTAP; the
 developer is in escrow to purchase the former Newberry property
 and is in negotiations to lease the retail space to Urban Outfitters.
 She said the Agency, at that time, expressed their support for
 Urban Outfitters however the request was denied due to the high
 cost. It was half of the total \$1.5 million identified for use in
 revitalizing the downtown. In an effort to gain Agency support and
 proceed with this project, Ms. Mack said the developer had further
 discussions with Urban Outfitters to determine if they would
 consider raising their rental payments in order to decrease the
 amount of assistance from the Agency. She reported that, based
 on those negotiations, Urban Outfitters agreed to slightly increase
 their rental payments resulting in a reduction in the DTAP loan from
 \$742,500 to \$675,000 which is \$45 per square foot, below the \$75
 per square foot program maximum. In addition, the Agency was
 able to increase its profit sharing participation by requiring the
 Tucker Investment Group to pay to the Agency 55 percent of
 percentage rent for gross annual sales in excess of \$4 million. Ms.

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Mack said that these revised costs were reviewed by Keyser-Marston and Associates and deemed to be appropriate.

Ms. Mack concluded by stating that staff believes that Urban Outfitters will be a major catalyst to help attract other quality retailers to the downtown and that this transactions will help realize the Agency goal to help fill vacant and underfilled properties in the downtown area.

Ms. Murphy inquired as to the status of the loan if Urban Outfitters goes out of business. Ms. Mack clarified that should that happen during the active 10-year period, the loan would immediately become due and payable by Tucker Investment Group.

Ms. Murphy also inquired as to the process used by staff to determine what types of stores would be successful in Burbank, and Mrs. Georgino explained the process in detail. Mrs. Ramos inquired as to sales tax percentages, and Mr. Ovrom responded that Burbank was far out-performing the state numbers. Mr. Ovrom confirmed that the reason this item was brought back on the agenda was at the request of Council to continue to negotiate with the developer.

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

RA 60
Commercial
Rehab. Agrmt. w/
Tucker Invest.
Grp. for Former
Newberry Bldg.

RESOLUTION NO. R-2051:
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING A COMMERCIAL REHABILITATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND TUCKER INVESTMENT GROUP FOR THE REHABILITATION AND IMPROVEMENT OF THE FORMER NEWBERRY BUILDING.

Adopted The resolution was adopted by the following vote:

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

8:36 P.M.
Recess The Agency recessed at this time to permit the Burbank Public Financing Authority and the City Council to continue their meetings. The Agency reconvened at 10:13 p.m. for public comment with the same members present.

10:43 P.M. There being no further business to come before the Agency, the

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Adjournment meeting was adjourned at 10:43 p.m.

Secretary

APPROVED MARCH 18, 2003

Chairperson