

BURBANK REDEVELOPMENT AGENCY  
JANUARY 23, 2007

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 6:36 p.m. by Mr. Campbell, Chairman.

Invocation           The invocation was given by Dr. Beverly Stillman, St. Joseph Medical Center and LEAP of Faith Empowerment Institute.

Flag  
Salute                The pledge of allegiance to the flag was led by members of Boys Scout Troop 263.

ROLL CALL

Present- - - -       Members Golonski, Gordon, Ramos, Vander Borcht and Campbell.

Absent - - - -       Members None.

Also Present -       Ms. Alvord, Executive Director; Mr. Barlow, City Attorney; Mrs. Georgino, Assistant Executive Director; and, Mrs. Campos, Secretary.

9:57 P.M.  
Meeting  
Continued            Following a public hearing and the combined oral communications, the Council meeting was recessed to allow the Agency to hold its meeting.

Item Removed  
from Consent  
Calendar             The item regarding "Consideration of Two Affordable Housing Agreements for 2219 North Niagara, 2329 North Niagara Street and 261 West Verdugo Avenue was removed from the consent calendar for the purpose of discussion."

RA 80  
RA 81  
RA 42-2  
Consider two  
Affordable Hsg.  
Agrmt.regarding  
2219 N. Niagara  
2329 N. Niagara  
& 261 W.  
Verdugo             Ms. Leyland, Senior Redevelopment Project Manager, Community Development Department, requested the Council and Redevelopment Agency (Agency) Board consider two Affordable Housing Agreements with the Burbank Housing Corporation (BHC) that will assist in the acquisition and rehabilitation of two units located at 2219 North Niagara Street, four units located at 2329 North Niagara Street and eight units located at 261 West Verdugo Avenue. She noted that the properties are located in the Golden State and Verdugo-Lake Focus Neighborhoods. She stated that if approved, the acquisition will increase the affordable housing stock in the community by adding 14 units available to very low, low and moderate-income households. In addition, the purchase and rehabilitation of the properties meets the objectives and programs outlined in the City's Affordable Housing Strategy approved by the Council and Agency Board in March 2006. Furthermore, the acquisition will contribute 14 additional units towards the housing acquisition strategy goal of 20 units for this fiscal year. Ms. Leyland informed the Council that on December 29, 2006, the BHC submitted a proposal requesting the Council and Agency provide financing to acquire and rehabilitate all three properties.

She noted that the BHC has entered into two separate purchase agreements with the owners of the three individual properties for a combined total acquisition cost of approximately \$2.8 million. The purchase agreements are contingent upon City and Agency Board approval.

Ms. Leyland reported that the scope of rehabilitation will slightly vary for each property but will generally include: demolition; abatement of asbestos and lead-based paint; repair to existing roof; renovation of kitchens and bathrooms; upgraded heating and air conditioning systems; replacement of exterior doors and windows; upgraded electrical and plumbing systems; repair and painting of interior and exterior walls; new carpeting; and, landscaping/site work. In addition, improvements at 2219 North Niagara Street include construction of an additional 190 square feet onto the back unit in order to create a two-bedroom unit and a community laundry facility for residents of the property. The proposed rehabilitation work for both properties is estimated to cost approximately \$1.28 million and includes the following indirect costs; closing costs, taxes, insurance and the BHC developer fee in the amount of \$717,708. She also stated that it will be necessary to relocate the current residents of these properties to perform the rehabilitation, and the displaced households will be eligible for relocation assistance pursuant to California Relocation Assistance Law and Real Property Acquisition Guidelines and in accordance with the Niagara Street Relocation Plan and the Verdugo Avenue Relocation Plan.

Ms. Leyland stated that the total estimated cost for the proposed projects is \$4,300,230, including: the property acquisition of approximately \$2.8 million; an estimated relocation budget of \$245,000; and, an estimated rehabilitation cost (including direct and indirect costs) of \$1.2 million. She explained that if approved, financial assistance is proposed through three loans. Contingent upon Housing and Urban Development (HUD) approval authorizing the use of HOME funding, staff proposes the City will provide a loan in the amount of \$848,653 to be forgiven at the end of 55 years if all loan terms are met as outlined in the agreements. In addition, staff proposes the Agency enter into two separate loan agreements totaling \$2,700,643 to be amortized over a 55-year period, at three percent simple interest and repaid annually through residual receipts generated by the properties. The remaining project costs are related to the developer fee and relocation costs associated with any acquisition/rehabilitation project undertaken by the Agency.

Motion

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

RA 80

RESOLUTION NO. R-2173:

RA 81  
RA 42-1  
Amend FY 06/  
07 for 2219 N.  
Niagara, 2329 N  
Niagara & 261  
W. Verdugo

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AMENDING THE FISCAL YEAR 2006-2007 BUDGET BY APPROPRIATING \$2,791,728 TO FUND THE ACQUISITION AND REHABILITATION OF 2219 NORTH NIAGARA, 2329 NORTH NIAGARA STREET AND 261 WEST VERDUGO AVENUE.

RA 80  
RA 81  
Approved  
Affordable Hsg.  
Agrmt w/City &  
BHC (261 W.  
Verdugo)

RESOLUTION NO. R-2174:  
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING AN AFFORDABLE HOUSING AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK, THE CITY OF BURBANK, AND THE BURBANK HOUSING CORPORATION (261 WEST VERDUGO AVENUE).

RA 80  
RA 81  
Approved  
Affordable Hsg.  
Agrmt. w/BHC  
(2219, 2329 N.  
Niagara St.)

RESOLUTION NO. R-2175:  
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING AN AFFORDABLE HOUSING AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AND BURBANK HOUSING CORPORATION (2219 NORTH NIAGARA STREET AND 2329 NORTH NIAGARA STREET).

Adopted                      The resolutions were adopted by the following vote:

Ayes:        Members Golonski, Ramos, Vander Borght and  
                  Campbell.  
Noes:        Member Gordon.  
Absent:      Members None.

10:34 P.M.  
Recess

The Agency recessed at this time to permit the City Council to continue its meeting. The Agency reconvened at 11:40 p.m. for public comment with all members present.

11:53 P.M.  
Adjournment

There being no further business to come before the Agency Board, the meeting was adjourned at 11:53 p.m.

1/23/07

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Margarita Campos, CMC  
Secretary

APPROVED JUNE 19, 2007

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Chairman