

BURBANK REDEVELOPMENT AGENCY  
JUNE 3, 2003

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 6:31 p.m. by Ms. Murphy, Chairman.

Invocation           The invocation was given by Reverend Roby Correa, Magnolia Park United Methodist Church.

Flag Salute           The pledge of allegiance to the flag was led by Susan Bowers, Burbank Chamber of Commerce.

ROLL CALL

Present- - - - - Members Campbell, Golonski, Ramos, Vander Borght and Murphy.

Absent - - - - - Members None.

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

8:18 P.M. Meeting Continued           Following a report and the combined oral communications, the Council and Agency held a joint meeting.

RA 50  
RA 60  
RA 42-1  
Jt. Mtg.  
w/Council  
Reimbursement  
of Land Sale  
Proceeds to  
Redev Agency  
(Five Points  
Realignment  
Proj.)           Mr. Hanway, Financial Services Director, requested Council and Redevelopment Agency Board (Agency) authorization to: 1) execute a Cooperation Agreement between the Agency and the City of Burbank for the reimbursement of \$1,366,775 to the Agency by the City from land sale proceeds; 2) transfer the Metropolitan Transportation Authority (MTA) grant of \$632,000 to the City Centre Redevelopment Project Area (City Centre Project); and, 3) approve an appropriation from the Fiscal Year (FY) 2002-03 Golden State Redevelopment Project Area (Golden State) unappropriated fund balance, in the amount of \$237,099 to complete Phase II of the Five Points Realignment Project (Five Points Project).

He narrated at the inception of the Five Points Project, Golden State was the major funding source which provided over \$8.2 million. He noted in February 2001, the Agency transferred State Farm Insurance and Animal Hospital properties to the City in exchange for rights to the MTA grant, and added staff was requesting transferring the MTA grant from Golden State to the City Centre Project. In addition, he noted land swaps occurred related to the Freeway Route 134 off-ramp project and the replacement of the distribution substations which was funded by the West Olive Project Area and involved swapping of land owned by the Agency for remnant parcels of the Five Points Project Area

resulting in a net contribution from Golden State to the Five Points Project of over \$4.8 million. He further reported the City sold some remnant parcels and received \$1,366,775 and that, since Golden State provided the gap funding for the Five Points Program, the proceeds should be returned to the Agency for reimbursement to Golden State; however, staff proposed reallocating the reimbursement funds, in addition to the MTA grants to the City Centre Project which was struggling financially. He also explained Golden State could not transfer any other funds to the City Centre Project except for land sale proceeds.

Regarding the completion of Phase II of the Five Points Project, Mr. Hanway reported the last invoice was received which required an additional appropriation of \$237,099. He suggested a Cooperation Agreement with Golden State to fund the amount for transfer to the City thereby completing and phasing out Phase II of the Five Points Project.

Mr. Vander Borgh expressed his preference for the City to retain the remnant parcels for public use or civic space, rather than development.

Mrs. Ramos requested clarification on the funding source for Phase III of the Burbank Boulevard bridge-widening project and Mr. Hanway responded a separate \$4.6 million reimbursable MTA grant was available for the project which was scheduled to commence by the end of 2003.

Motion It was moved by Mr. Golonski and seconded by Mr. Campbell that "the following resolutions be passed and adopted:"

City Council Reso. Adopted City Council Resolution No. 26,493 Approving the Terms and Provisions of a Cooperation Agreement Between the City and the Redevelopment Agency of the City of Burbank Relating to the Five Points Realignment Project and Amending the Fiscal Year 2002-2003 Annual Budget in the Amount of \$1,366,775 was adopted.

RA 50  
RA60  
RA 42-1  
Coop. Agrmt.  
w/City & Amend  
FY 02-03 Budget  
(Five Points  
Realignment Proj)

RESOLUTION NO. R-2063:  
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING A COOPERATION AGREEMENT BETWEEN THE AGENCY AND THE CITY OF BURBANK RELATING TO THE FIVE POINTS REALIGNMENT PROJECT AND AMENDING THE FISCAL YEAR 2002-2003 ANNUAL BUDGET IN THE AMOUNT OF \$1,366,775.

6/3/03

City Council  
Reso. Adopted

City Council Resolution No. 26,494 Approving the Agency Payment of Certain Public Improvements to be Owned and Operated by the City and Amending Fiscal Year 2002-2003 Annual Budget in the Amount of \$237,099. (Phase II of Five Points Project).

RA 50  
RA 60  
RA 42-1

RESOLUTION NO. R-2064:  
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK APPROVING THE AGENCY PAYMENT OF VERTAIN PUBLIC IMPROVEMENTS TO BE OWNED AND OPERATED BY THE CITY AND AMENDING FISCAL YEAR 2002-2003 ANNUAL BUDGET IN THE AMOUNT OF \$237,099. (Phase II of Five Points Project).

Adopted

The resolutions were adopted by the following vote:

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

Noes: Members None.

Absent: Members None.

Jt. Mtg.  
w/Council  
RA 40  
Property-Based  
Business Improv.  
District  
(Downtown  
Burbank)

Mrs. Stewart, Downtown Manager, Community Development Department, requested the Council accept the submission of a petition from downtown property owners, and authorize the initiation of proceedings to form a Property-Based Business Improvement District (PBID).

She narrated in August 2002, the Redevelopment Agency (Agency) conducted a Study Session to review a comprehensive strategy for the revitalization of Downtown Burbank which included marketing efforts, a leasing strategy and a Downtown Tenant Assistance Program to attract quality tenants to fill existing vacancies. She stated infrastructure improvements were also recommended such as the installation of "Smart Parking" technology and a Wayfinding/Signage Program to direct motorists and pedestrian to and around the downtown. She added the strategy outlined a reformatted Business Improvement District (BID) that included a substantially expanded program and broader participation from downtown businesses and property owners.

She noted the successful implementation of this strategy required a broad level of support including a dedicated funding source and

staffing, and reported the existing Tenant-Based BID's annual revenues of approximately \$70,000 could not support the activities and improvements necessary to maximize the potential of Burbank's downtown. She added while the current BID was comprised of core downtown businesses, it excluded major regional draws such as IKEA and the Media City Center.

Mrs. Stewart reported staff received suggestions from members of the existing BID to consider the formation of a new PBID, followed by further meetings with local business leaders regarding the feasibility of transitioning from a tenant-based to a property-based BID in order to expand participation and increase funding. As a result, in September 2002, the Agency approved the funding for a contract with Downtown Resources, a firm that has successfully developed PBIDs throughout California.

Mr. Lambeth, representing Downtown Resources, gave a PowerPoint presentation outlining the principles behind the PBID, steps involved in forming a PBID, and the outreach efforts including meeting with the Steering Committee, multiple focus group and individual owner meetings. He reported all comments and suggestions were incorporated into the Draft Plan, followed by a subsequent Plan Review Workshop for feedback and suggestions for the Final Plan.

He informed the Council if the Resolution of Intention was approved, ballots and notices would be mailed to all owners followed by a public hearing scheduled for July 22, 2003, consideration of the Proposition 218 ballots, and final Council consideration for a vote of approval or disapproval. If approved, the corporation would be established in the third quarter, operations would begin in the fourth quarter, and funding would flow at the end of 2003/beginning of 2004. He referred to earlier public comment requesting a delay in the PBID formation and advised the Council of the once-a-year opportunity to get the PBID on the County's property tax bills, which in this case would create an August 1, 2003 deadline.

Mr. Lambeth also informed the Council of the stakeholders' feedback which included: strong support for a wayfinding program and smart parking; interest in stepping up promotions for the downtown area; interest in a higher level of maintenance; concerns about representations, in particular balancing small and large owners' interests; mild interest in security enhancements; preference for a strong advocate or manager; and, the need for the assessment to create a level playing field. He explained the Draft

PBID parameters, described the proposed boundaries and stated the proposed PBID budget was approximated at \$730,000 per year, comprising of \$95,000 (13 percent) for Advocacy and Administration; \$35,000 (5 percent) for contingency reserve; \$240,000 (33 percent) for capital improvements; \$110,000 (15 percent) for maintenance and \$250,000 (34 percent) for advertising and promotions.

With regard to PBID assessments and term, he suggested a flat parcel square footage rate in addition to a modest frontage charge along San Fernando Boulevard with larger parcels shouldering the largest burden, considering properties on San Fernando Boulevard would receive most benefit; stated public properties would have to be assessed pursuant to Proposition 218; tax-exempt and residential properties would be exempted from the assessment; the annual rate was proposed at \$16 cents per square foot per year and two dollars per front-footage on San Fernando Boulevard with a maximum increase of three percent per year; and, the proposed set term was five years.

Regarding the organizational structure he stated the corporation would be a 501(c) (6) with a Board of Directors contracted by the Council with subcommittees to work on individual issues. He added the proposed PBID governance board comprised of two business/property owners from the Burbank Village area; 2 City and Redevelopment Agency representatives; 2 members from the Burbank Mall area; including a representative of the Mall and IKEA; one at-large member who is a large property owner; one at-large member who is a small property owner; and, one at-large member representing the broader business community.

In conclusion, he referenced staff's recommendation for the City to reimburse the School District's portion of the assessment and cited Proposition 218 which requires public entities to pay an assessment into the district.

Mrs. Stewart commended all the property owners and businesses in this effort and reiterated staff's recommendation.

Mrs. Ramos requested clarification on the potential increase for the small business owners with the formation of the PBID and Mrs. Stewart explained the assessment for the current BID was based on sales tax while the proposed PBID's assessment would be based on property tax and that depending on the particular business, some assessments would decrease while others increased. Mrs.

Ramos also requested more information regarding the components of the administrative costs and stated her preference for any board member to be a business and property owner as opposed to an at-large member from the community.

Mr. Lambeth clarified the PBID assessment would be paid by the property owner and that there was no requirement for the tenant to pay the assessment, unless specified by the lease between the tenant and property owner.

Mr. Vander Borght requested clarification on how mixed-use projects would be assessed and Mrs. Stewart responded assessments would all be based on ground floor footage and not on multi-level footage.

Council discussion ensued on the membership composition and staff was directed to come back with different options of the Board makeup that would provide a balance of property owners/business owners, and include specifications that the at-large member of the business community be either a property or business owner within the PBID boundaries.

Motion It was moved by Mr. Vander Borght and seconded by Mr. Golonski that "the following resolutions be passed and adopted and that the City Manager and Executive Director be authorized to sign the proposed petition on behalf of the City and Redevelopment Agency and to direct the preparation of agreements for the Agency to pay the annual assessments on behalf of the City and School District:"

City Council Reso. Adopted City Council Resolution No. 26, 495 To Form a Business Improvement District Pursuant to the Property and Business Improvement District Law of 1994 was adopted.

RA 40  
Exe. Dir. to vote  
for Business  
Improv. District RESOLUTION NO. R-2065:  
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AUTHORIZING THE EXECUTIVE DIRECTOR TO VOTE IN FAVOR OF A BUSINESS IMPROVEMENT DISTRICT PURSUANT TO THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994.

Motion It was moved by Mr. Golonski and seconded by Mr. Campbell that "the following consent calendar be passed and adopted:"

