



Weekly Management Report

May 14, 2021

- 1. Notice** Burbank-Glendale-Pasadena Airport Authority
Meeting on May 17, 2021
Burbank-Glendale-Pasadena Airport Authority

- 2. Memo** Burbank Hospitality Association
Meeting on April 21, 2021
Community Development Department

- 3. Memo** Information on Residential Rent Freeze
Community Development Department

- 4. Memo** Project Status Update for Olive Avenue/Verdugo
Avenue/Sparks Street Intersection Improvement Project
Community Development Department



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May 13, 2021

CALL AND NOTICE OF A REGULAR MEETING
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held on Monday, May 17, 2021, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Commission or staff may participate in this meeting via teleconference. In the interest of maintaining appropriate social distancing, members of the public may observe and participate in the meeting telephonically through the following number:

Dial In: (818) 862-3332

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Regular Meeting of Monday, May 17, 2021

9:00 A.M.

The public comment period is the opportunity for members of the public to address the Commission on agenda items and on airport-related non-agenda matters that are within the Commission's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.



Members of the public are requested to observe the following decorum when attending or participating in meetings of the Commission:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Commission during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Commission's subject matter jurisdiction.*
- *Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.*



The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Commission less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.



In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

Monday, May 17, 2021

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT
(For items not on the Agenda. Public Comment on specific Agenda items will be received at the time the item is presented.)
5. CONSENT CALENDAR
 - a. Committee Minutes
(For Note and File)
 - 1) Finance and Administration Committee
 - (i) April 19, 2021 **[See page 1]**
 - (ii) May 3, 2021 **[See page 3]**
 - b. Commission Minutes
(For Approval)
 - 1) May 3, 2021 **[See page 5]**
6. ITEMS FOR COMMISSION APPROVAL
 - a. Second Amendment to Lease Agreement – Herc Rentals, Inc. **[See page 8]**
7. ITEMS FOR COMMISSION INFORMATION
 - a. Financial Performance Update - First Nine Months of FY 2021
8. CLOSED SESSION
 - a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation (California Government Code Section 54956.9(d)(2)); 1 potential case. Facts and Circumstances:
FAA Southern California Metroplex Project
9. EXECUTIVE DIRECTOR COMMENTS
10. COMMISSIONER COMMENTS
(Other updates and information items, if any)
11. ADJOURNMENT

COMMISSION NEWSLETTER

Monday, May 17, 2021

[Regarding agenda items]

5. CONSENT CALENDAR

(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)

- a. COMMITTEE MINUTES. Approved minutes of the Finance and Administration Committee meeting of April 19, 2021 and May 3, 2021 are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES. Draft minutes of the May 3, 2021 Commission meeting are attached for the Commission's review and approval.

6. ITEMS FOR COMMISSION APPROVAL

- a. SECOND AMENDMENT TO LEASE AGREEMENT – HERC RENTALS, INC. A staff report is included in the agenda packet. At its meeting on May 3, 2021, the Finance and Administration Committee voted (2–0, 1 absent) to recommend that the Commission approve the proposed Second Amendment to the Lease Agreement with Herc Rentals, Inc. (formerly known as Hertz Equipment Rental Corporation).

7. ITEMS FOR COMMISSION INFORMATION

- a. FINANCIAL PERFORMANCE UPDATE – FIRST NINE MONTHS OF FY 2021. No staff report attached. Staff will update the Commission with information regarding the financial results for the first nine months of FY 2021.

MEMORANDUM



COMMUNITY DEVELOPMENT



DATE: May 12, 2021

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director 
VIA: Simone McFarland, Asst. Community Development Director 
Mary Hamzoian, Economic Development Manager
BY: Erika De Leon, Administrative Analyst I

SUBJECT: Burbank Hospitality Association Meeting – April 21, 2021

- The Board received an update on Homelessness and the recent property purchase on Front Street for use as a future storage facility.
- The Board received an update on the City's StreetPlus Ambassador program.
- The Board approved the opening of the Event Sponsorship Program and agreed to allow the Sponsorship Subcommittee to meet and discuss budget allocations and review applications.
- The Board agreed to extend the terms of Alan Tate, Adrian Pastrana, and Danny Kahn, to July 1, 2022.
- The Board approved the 2019-2020 Financial Audit results.


MEMORANDUM



COMMUNITY DEVELOPMENT

DATE: May 14, 2021

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director 

BY: Simone McFarland, Assistant Community Development Director for
Economic Development and Housing
Maribel Leyland, Housing Authority Manager

SUBJECT: City Manager Tracking List No. 2380 – Information on Residential Rent Freeze

At the City Council meeting of March 2, 2021, Council Member Anthony requested information to consider a possible residential rent freeze in the City of Burbank. This memo provides an overview of the requirements for a “rent freeze,” outlines current state laws related to rent increases and rent caps including the California Tenant Protection Act (AB 1482), the anti-gouging law that prohibits rent increases by more than 10% during an emergency (Penal Code 396), and the California Tenant, Homeowner, and Small Landlord Relief and Stabilization Act (AB 3088 and SB 91) that provides a defense against eviction under certain conditions and a mechanism for landlords and tenants to negotiate rents.

The City of Burbank is unable to legally implement a rent freeze for the following reasons.

RENT FREEZE OVERVIEW

Rent freezes only apply to residential units within a community that are governed by local rent control ordinances, as rent control ordinances provide the authority to freeze the rent. Additionally, rent control ordinances only apply to those with a Certificate of Occupancy before February 1, 1995, as directed by the Costa Hawkins Rental Housing Act that was passed by the State Legislature in 1995¹. The City of Los Angeles has a rent control ordinance and on March 30, 2020, using the Mayor’s powers to declare a local emergency and coordinate emergency response, Mayor Garcetti froze rents within the City of Los Angeles.²

¹ Costa-Hawkins includes the following provisions:

Housing with a Certificate of Occupancy after February 1, 1995 must be exempt from local rent controls. Single family homes and other units like condominiums that are separate from the title to any other dwelling units must be exempt from local rent controls. Rental property owners must have the ability to establish their own rental rates when dwelling units change lawful occupancy.

²<https://www.lamayor.org/sites/g/files/wph446/ff/page/file/20200330MayorPublicOrderSuspendingRSORentIncreasesLA.pdf>

Burbank does not have local rent control. In fact, a rent control measure, the Burbank Rent Stabilization and Tenant Protection Act (Measure RC) was placed on the November 2020 ballot and was rejected by voters with 63.79% voting “No”. Because the City of Burbank does not have a local rent control ordinance, it has no authority to freeze rents.

However, Burbank renters do have protections. In 2019, California’s Governor signed into law AB 1482 amending the Civil Code effective January 1, 2020. The law sets limits on rental increases through January 1, 2030. There are further protections in the State’s COVID-19 Tenant Relief Act (AB 3088 and SB 91). Finally, renters have protections through anti-gouging laws and orders, as summarized below.

PROTECTIONS FOR BURBANK RENTERS

AB 1482 – California Tenant Protection Act

AB 1482 established statewide rent caps along with just cause eviction standards for specific multifamily and rental properties. This state law applies to all multi-family housing, as well as single homes or condos that are owned by a Real Estate Investment Trust (REIT), Corporation, and Limited Liability Company where one member is a corporation. The just cause and rent cap provisions of the law do not apply to units with an affordability covenant. Landlords need just cause for evicting a tenant with continuous or lawful tenancy of at least 12 months or 24 months in certain instances. Detailed at-fault or no-fault reasons for eviction are included in the Act. Under the no-fault provisions a tenant being evicted may be entitled to a relocation fee equivalent to one month’s rent. AB 1482 states that in any 12-month period, a property owner can only increase rent by 5% plus the cost of living increase, which in Los Angeles and most metro areas has historically been 2-3% a year. However, rents cannot be raised more than 10%. Units built within a rolling period of the last 15 years are exempt. Currently, the law applies to units with a Certificate of Occupancy issued (meaning built) by August 2005.

AB 3088/SB 91 – COVID-19 Tenant Relief Act

Burbank Eviction Ordinance No. 20-2,942, which protected against both residential and certain commercial evictions ended on September 30, 2020, for residential tenants only.³ It was superseded by AB 3088, the State’s COVID-19 Tenant Relief Act of 2020. AB 3088 took effect on August 31, 2020, and initially imposed a statewide moratorium on evictions between March 1, 2020, and January 31, 2021, for tenants unable to pay some or all of their rent due to COVID-19-related financial distress.

To be protected, affected tenants had to timely submit to his/her landlord a signed Declaration of Financial Distress, and have paid 25 percent of their rent from September 1, 2020, to January 31, 2021. SB 91 took effect on February 1, 2021 and extends the moratorium on evictions through June 30, 2021. Tenants are still responsible for paying unpaid amounts to landlords, but these unpaid amounts cannot be the basis for eviction, even after the moratorium ends. SB 91 provides additional protections, including providing financial assistance to qualifying landlords and tenants to pay a portion of the tenant’s unpaid rent as described later in this memorandum.

³ On October 6, 2020, the City Council extended the Commercial Eviction Moratorium that restricts evictions on the basis of nonpayment of rent, or a foreclosure, arising out of a substantial decrease in business income as a result of COVID. That commercial urgency ordinance was extended on March 30, 2021 through June 30, 2021.

Under AB 3088 there is a distinction between eviction protections and owing the Landlord past due rent and other financial obligations. Repayment of residential rents due between March 17, 2020, and August 30, 2020, were governed by the City's local Ordinance:

1. Burbank Ordinance No. 20-3,942 allows up to six months from the expiration of an urgency eviction moratorium to repay any back due rent (Six Month Grace Period).
2. The City's eviction moratorium for residential tenants expired on September 30, 2020. Therefore, tenants that met ordinance criteria for repayment of rent provisions under the ordinance had until March 31, 2021 to pay any back rent due without penalty.
3. If the outstanding rent was not paid within the six-month grace period, beginning on April 1, 2021, the Owner could charge and collect interest, late fees or other penalties allowed in the lease for any rent payments still owing. These fees were not allowed between March 17, 2020 and April 1, 2021.

State and City Emergency Rent Assistance

Statistics are not yet available as to the number of cases being filed for non-payment of rent. However, the State emergency rent assistance program through *SB 91/Housing is Key* was available to assist landlords with up to 80% of back-due rent accrued between April 1, 2020, and March 31, 2021, if they agree to waive the remaining 20% of unpaid rent.⁴ Furthermore, the City's Community Development Block Grant (CDBG) Rent Assistance Program approved by the City Council on March 2, 2021, provided an additional \$300,000 to assist Burbank households with rent arrears and back due utility bills up to \$1,000 for three months. As of the writing of this report, 37 households have been approved for the program, and Family Promise of the Verdugos (the organization administering the program), estimates an additional 50-60 households may be assisted before funds are exhausted later this year.

Anti-Gouging Law (Penal Code 396)

California Penal Code Section 396 prohibits price gouging during a declared state of emergency. Specifically, Section 396 states that "it is unlawful for a person, contractor, business, or other entity to sell or offer to sell . . . [a covered good] for a price of more than 10 percent greater than the price charged by that person for those goods or services immediately prior to the proclamation or declaration of emergency." This applies to rental housing.⁵

Potential Financial Impact

As a rent freeze is not currently allowed, there is no financial impact. However, if there was the ability to implement a freeze, the direct financial impact to the City to implement this could be significant as staff would be required to implement and administer such a program. In October 2020, a consultant analyzing the financial impact of Measure RC developed a cost estimate for a rent stabilization ordinance based on other mid-sized California cities. That type of program cost would include the need for additional staff, operating costs, and possibly a software program to support the database required for a rent stabilization program. An annual operating cost would be roughly \$3,913,000 plus

⁴ For more information on the State program, please visit https://housing.ca.gov/covid_rr/index.html

⁵ <https://oag.ca.gov/consumers/COVID-19>

start-up costs. A temporary rent freeze urgency ordinance would not be that expensive, but still have a significant financial impact to the City.

ECONOMIC RECOVERY – A LOOK AHEAD

The National Multifamily Housing Council (NMHC)'s Rent Payment Tracker found 79.8 percent of apartment households made a full or partial rent payment by April 6, 2021, in its survey of 11.6 million units of professionally managed apartment units across the country. This marks one year of tracking rent payment data following the onset of the pandemic. This is a 1.9 percentage point increase from the share who paid rent through April 6, 2020, and compares to 82.9 percent that had been paid by April 6, 2019. This data encompasses a wide variety of market-rate rental properties across the United States, which can vary by size, type and average rental price.⁶ Statistics for the state level are not available, however, utilizing the national data, staff is estimating a slight increase in Burbank households also paying rent as safer at home orders are lifting and the economy slowly begins to recover.

In summary, the City of Burbank cannot currently implement a rent freeze. AB 3088 and SB 91 currently allows landlords and tenants to negotiate rent, rent increases above 10% are currently prohibited through the States Anti-Gouging law, and AB 1482 already sets rent caps in place through January 2030. Furthermore, the City Council approved the next round of emergency rent assistance through CDBG CARES Act funds, and the State launched its State Rent Assistance program on March 15, 2021, to allow landlords and tenants to apply for rent relief. Finally, Los Angeles County entered into the yellow tier of reopening for different sectors of the economy, which shows progress and hopefully, is a sign that households will be able to get back to work and to pay rent again.

⁶ National Multifamily Housing Council - <https://www.nmhc.org/research-insight/nmhc-rent-payment-tracker/>.

MEMORANDUM




**COMMUNITY
DEVELOPMENT**



DATE: April 14, 2021

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Department Director 
VIA: David Kriske, Assistant Community Development Director,
Transportation
BY: Roy Choi, Senior Planner

SUBJECT: CM Tracking List Item #2376 - Project Status Update For Olive Avenue/Verdugo Avenue/Sparks Street Intersection Improvement Project

On February 23, 2021 Council Member Springer requested an update for the reconfiguration for the Olive/Verdugo/Sparks Intersection Improvement Project. This memorandum provides an update on the status of the project and a schedule of next steps.

The Olive Avenue / Verdugo Avenue / Sparks Street Intersection Improvement Project would reconfigure this complex, six-leg intersection to improve safety, reduce vehicle and pedestrian delay, and help build a neighborhood within the vicinity of the intersection. The project has three broad goals, which are:

1. Improve safety for all users;
2. Improve traffic by reducing vehicle and pedestrian delay; and
3. Improve neighborhood character by providing opportunities for landscaping and public space.

Through an iterative design process that included extensive community outreach with the City's residents, three project design options and their associated estimated costs were developed and presented that achieved the Project goals (Attachment 1).

1. Option 1 - Full Reconfiguration with Sparks Street Restrictions – \$3.5 million
2. Option 2 - Full Reconfiguration with No Sparks Street Restrictions – \$3.6 million
3. Option 3 - Partial Reconfiguration with No Sparks Street Restrictions – \$3.0 million

On June 26, 2018, staff presented these three project options to the City Council with a recommendation that the City Council approve Option 1 to move forward into detailed engineering as it best implemented the Project goals. During the meeting, several residents in the vicinity of the project expressed their concerns that restricting or closing Sparks Street would divert traffic onto other local streets like Reese Place and Beachwood Drive. Based on the public comments received during the Council Meeting, the City Council directed staff to revise Option 2 (Full intersection reconfiguration with no Sparks Street restrictions) to incorporate additional design elements suggested by residents including:

1. Adding more off-street public vehicle parking spaces
2. Adding more on-street parking spaces
3. Improving bus stops on Olive Avenue
4. Proposing public space(s)/plaza(s) created by realigning Verdugo Avenue
5. Implementing Class IV Separated Bike Lanes connecting the existing bike lanes on Verdugo Avenue through the intersection
6. Adding bicycle parking facilities
7. Implementing traffic calming and neighborhood gateway elements on Reese/Sparks/ Beachwood in lieu of street closures
8. Implementing "place-making" elements at the alleyway between Reese/Sparks/ Beachwood to calm traffic

Since the June 26, 2018 City Council meeting, staff has conducted additional conceptual design work and developed updated cost estimates to modify Option 2 and evaluate the eight additional active transportation, neighborhood protection, and urban design elements suggested by residents. This endeavor included administrative efforts and additional time to procure new consultant services to evaluate the suggested design elements and incorporate them into the modified Option 2. In this time, additional lengthy administrative efforts were also taken between the City and Metro to identify and increase funding for the Project based on the preliminary cost estimates for the three proposed design options that were presented to Council in 2018.

Further, as staff was conducting this additional conceptual design, Metro began conceptual design and environmental review of the proposed NoHo to Pasadena Corridor Bus Rapid Transit (BRT) project, which is proposed to travel along Olive Avenue through the Olive/Verdugo/Sparks intersection. In mid-2019, Metro staff began to share BRT design alternatives with City staff and as a result, staff was required to incorporate Metro's conceptual design into the City's intersection project design and specifically evaluate the BRT project's impact on the eight intersection project design elements. This additional analysis further delayed the project conceptual design.

Staff is currently finalizing the revised Option 2 conceptual design and is analyzing the benefits of the proposed optimization of the new traffic signals/layout and design elements. Once this analysis is completed, outreach will be conducted with residents in

late Spring 2021 to solicit input on the revised Project Design Alternative and will return to City Council in Summer 2021 to present staff's findings and request approval of a new preferred Project Design Alternative in order to complete environmental review and final design of the Project.

During the presentation of all three Options to Council in 2018, it was noted that the estimated cost for all of the three Options exceeded the current project budget of \$1.6mil. In order to address the funding shortage for the Project, in 2019, Metro approved the City's request to utilize an additional share of \$2,000,000 in Arroyo Verdugo Measure R Highway Operational Improvements funds to construct the Project improvements, increasing original budget of \$1.6 mil to \$3.6mil.¹

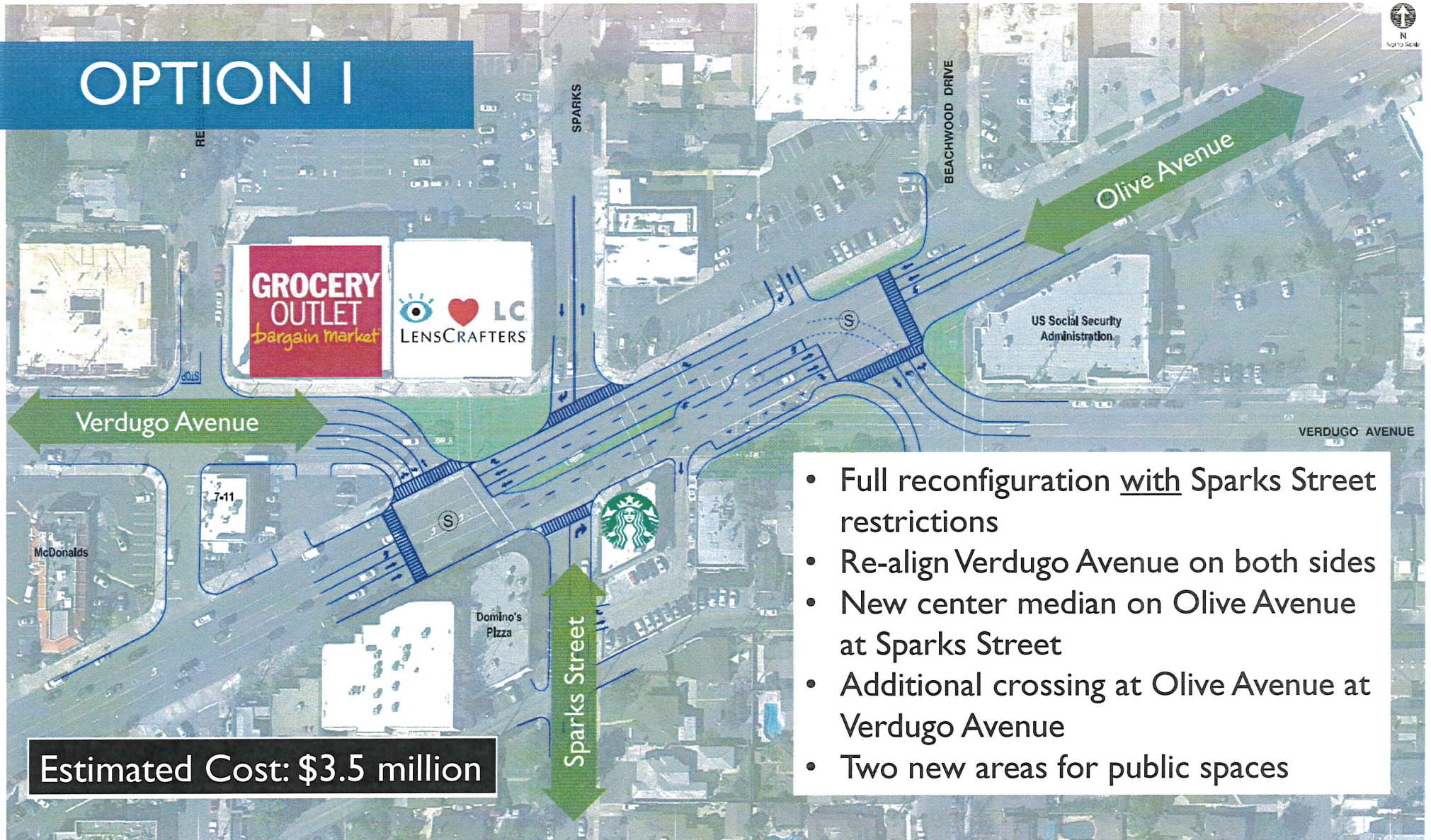
ATTACHMENTS

Attachment 1: Project Design Alternatives Considered at the June 26, 2018 City Council Meeting

¹ On September 11, 2018, Council approved a Resolution approving operational improvement, bicycle, and soundwall projects funded through Metro Measure R Arroyo Verdugo Highway Operational Improvement Projects which included the Olive/Verdugo/Sparks Intersection Improvement Project.

Measure R Arroyo Verdugo Highway Operational Improvement funds are multi-year subregional equity funding provided by Measure R through Metro. Since 2008, Burbank shares \$170 million Measure R Highway Operations subregional equity funds with Glendale, La Canada Flintridge, and the unincorporated La Crescenta – Montrose neighborhoods distributed over 30 years. This funding is restricted to projects that improve roadway and traffic signal operations, bicycle paths, and sound-walls on facilities within 1 mile of Interstate-5 and SR-134. In 2012 the four agencies agreed that these funds should be split proportionally to each community based on population, and that each agency should be free to program projects directly with Metro that meet the eligibility definitions of Measure R.

OPTION 1

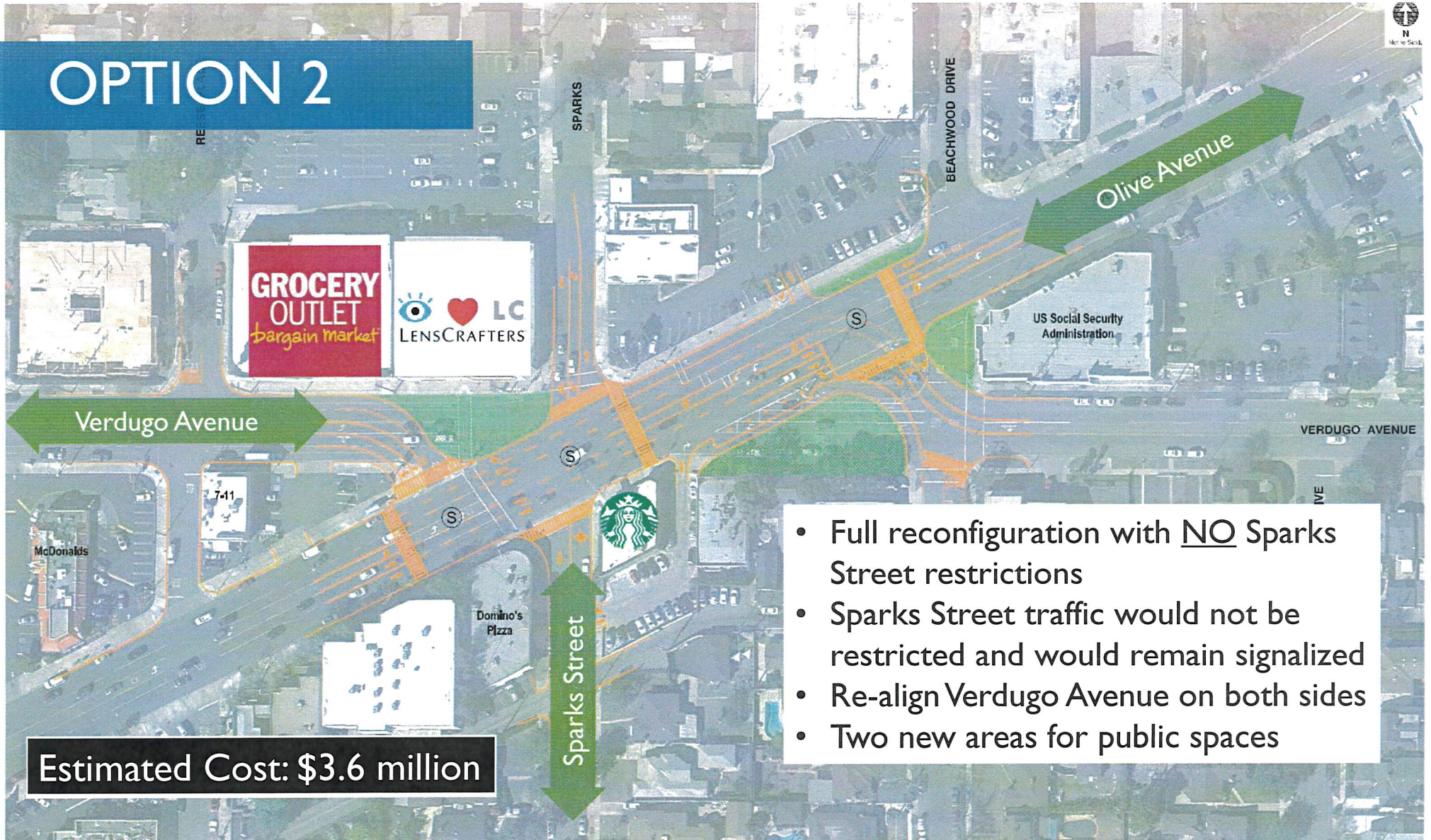


- Full reconfiguration with Sparks Street restrictions
- Re-align Verdugo Avenue on both sides
- New center median on Olive Avenue at Sparks Street
- Additional crossing at Olive Avenue at Verdugo Avenue
- Two new areas for public spaces

Option I: Key Features

Project Goals	Rank	Reasons
Improve Safety	Excellent	<ul style="list-style-type: none">• Safest design option• <i>Slightly inconvenient pedestrian movements</i>
Improve Traffic	Excellent	<ul style="list-style-type: none">• Most significant reduction in travel delay & vehicle queues
Neighborhood Character	Excellent	<ul style="list-style-type: none">• Most opportunities for landscaping & public space
Neighborhood Protection	Excellent	<ul style="list-style-type: none">• Provides neighborhood protection for Sparks residents while minimizing spillover to adjacent streets

OPTION 2



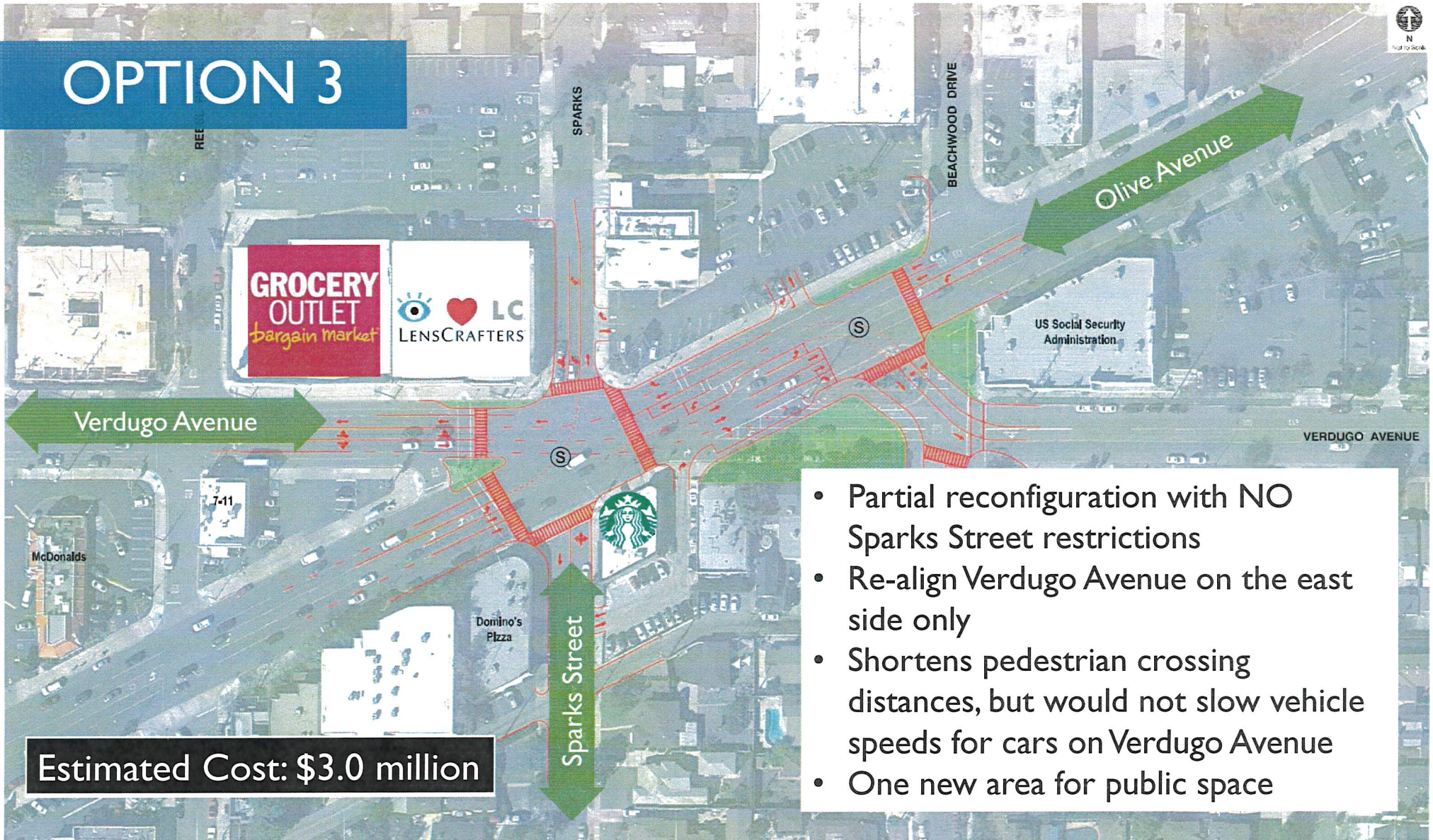
Estimated Cost: \$3.6 million

- Full reconfiguration with NO Sparks Street restrictions
- Sparks Street traffic would not be restricted and would remain signalized
- Re-align Verdugo Avenue on both sides
- Two new areas for public spaces

Option 2: Key Features

Project Goals	Rank	Reasons
Improve Safety	Good	<ul style="list-style-type: none">• Safe design option, but less than Option 1• Maximizes pedestrian convenience
Improve Traffic	Good	<ul style="list-style-type: none">• Moderate reduction in travel delay• Reduction in vehicle queues
Neighborhood Character	Excellent	<ul style="list-style-type: none">• Most opportunities for landscaping & public space
Neighborhood Protection	Poor	<ul style="list-style-type: none">• No neighborhood protection

OPTION 3



Estimated Cost: \$3.0 million

- Partial reconfiguration with NO Sparks Street restrictions
- Re-align Verdugo Avenue on the east side only
- Shortens pedestrian crossing distances, but would not slow vehicle speeds for cars on Verdugo Avenue
- One new area for public space

Option 3: Key Features

Project Goals	Rank	Reasons
Improve Safety	Good	<ul style="list-style-type: none"> • Safe design option, but less than Options 1 & 2 • Maximizes pedestrian convenience
Improve Traffic	Good	<ul style="list-style-type: none"> • Moderate reduction in travel delay • Reduction in vehicle queues
Neighborhood Character	Good	<ul style="list-style-type: none"> • Provides moderate amount of new public space
Neighborhood Protection	Poor	<ul style="list-style-type: none"> • No neighborhood protection