

**CITY OF BURBANK
COMMUNITY DEVELOPMENT DEPARTMENT**

Dios Marrero
Executive Director
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, California 91505

Re: Third Superseding Application for Approval of Land Acquisition

The City of Burbank (“City”) has received the Third Superseding Application for Approval of Land Acquisition (“Application”) submitted by the Burbank-Glendale-Pasadena Airport Authority (“Authority”). The City is Committed to working with you to address your requests in as expeditious a fashion as possible, consistent with the need for careful review of this important issue and the need to ensure meaningful public involvement. However, because the Application does not currently contain adequate information necessary to access the Application under Public Utilities Code Section 21661.6 (“Section 21661.6”), it is incomplete and inadequate for purposes of initiating formal review under Section 21661.6.

This letter identifies the specific areas of missing information or needed clarification to allow the Authority to make the Application complete. In addition, this letter identifies a general process for addressing the separate issues associated with Section 21661.6 approval and the removal of deed restrictions and other limitations covering the B-6 Property. For further information on the process that the City will use in reviewing the Application, we draw your attention to the procedures adopted by the City Council in 1996 (“1996 Procedures”), a copy of which is attached.

Specific Areas in which the Application Requires More Information or Clarification

The following are the areas in which we need more information or clarification in order to deem the Application complete and ready for processing:

1. As a public agency, the Authority has acted as the lead agency for the proposed terminal project under the California Environmental Policy Act (“CEQA”). However, the Application contains no information regarding any Authority findings or position concerning the adequacy of the 1993 Environmental Impact Report (“EIR”) and the 1995 Environmental Impact Statement (“EIS”), despite changes to the proposed project, mitigation measures or alternatives that may be now available to reduce significant impacts, and changed circumstances at and near the Airport. Provide a statement indicating how the Authority has compiled or proposes to comply with CEQA requirements for any actions relating to the project that is the subject of the Application.

Provide all documents, information or findings necessary to support the Authority's statement regarding CEQA compliance. Include an explanation of what type of additional environmental review you propose in order to comply with CEQA as a whole and with CEQA Guidelines Section 15162 specifically. If you believe that an addendum to your existing EIR would satisfy CEQA requirements, please provide a statement explaining your conclusions and including all documentation needed to prepare the addendum. If you believe that a subsequent or supplemental EIR is required, please indicate whether you intend to prepare that document or whether you wish for the City of Burbank to take principal responsibility for preparation of that document. If the Authority believes another approach is appropriate, provide a statement identifying the approach and supply all findings, analysis, and information the Authority believes supports such an approach.

2. Provide a statement indicating whether the Authority has a position regarding the means by which the City should comply with the policy as set forth in City Council Resolution 25,474 (attached), requiring voter approval of City Council actions regarding airport development.
3. Provide a statement confirming that it is the Authority's intent in the Application that any City approval under Section 21661.6 would provide that the Authority's right to acquire the Trust Property and to use such property for Airport purposes would not be perfected until the Authority has received approval to implement, and has actually implemented, a curfew covering all aircraft arrivals and departures at the Airport from 10 p.m. to 7 a.m. and all opportunities for appeal of or challenge to such approval have passed. If this is not the Authority's intent, please clarify the applicable statements in the Application.
4. Provide a statement indicating the date on which the Authority would initiate the separate application for noise or operational controls referenced in Paragraph F.2.
5. For the payments identified in Paragraphs G.2 and G.3, please provide a statement setting forth the Authority's position on (1) whether the Authority would be authorized under federal law to provide these payments and (2) the amounts (or the manner of calculating the amounts) that would be authorized under federal law. Include citation to any FAA opinions or other authoritative interpretations that support the Authority's position. If no such interpretation exists to support the Authority's position, please provide a statement indicating whether the Authority plans to seek such an authoritative interpretation and how the Authority proposes that the City quantify the benefit of this element of the Application. For the purposes of Paragraph G.2, please explain how the Authority proposes to calculate the increases in operations that would not occur but for approval of the Application.
6. With regard to the payments in lieu of taxes under Paragraph H, please provide a statement setting forth the Authority's position on (1) whether the Authority would be authorized under federal law to make the proposed payments in lieu of taxes and (2) the amounts that would be authorized under federal law and/or the manner for calculating such payments. Include citation to any FAA opinions or other authoritative interpretations that support the Authority's position. If no interpretation exists to support the Authority's position, provide a statement indicating whether the Authority plans to seek such an authoritative interpretation and how the Authority proposes that the City quantify the benefit of this element of the Application.

7. Provide a statement indicating whether Paragraph L is intended to demonstrate compliance with CEQA. If it is intended to serve another purpose, such as supporting the necessary findings under the 1996 Procedures, provide a statement identifying that purpose or purposes. Provide whatever factual information is available to the Authority supporting the provisions of Paragraph L. Provide a statement indicating what actions the Authority proposes to take to maintain the ceiling on impacts set forth in this paragraph. Provide a statement indicating the Authority's position with regard to the City's remedies under Section 21661.6 in the event of the Authority's failure to comply with the commitments made in Paragraph L.
8. With regard to Paragraph I, please indicate whether the Authority has applied, or intends to apply, for a Letter of Intent from the FAA for the proposed funding. If not, please indicate what actions the Authority will take to seek funding as set forth in this provision.
9. Provide a statement indicating the uses the Authority anticipates for the Los Angeles portions of the B-6 Property and provide information and analysis showing how these uses would affect traffic or other environmental impacts.
10. Provide a statement identifying the uses the Authority would consider for the existing terminal site when the existing terminal is removed, as well as the Authority's opinion regarding the uses that would be permitted on the site under FAA policies or regulations. Please indicate whether the City is to consider the proposed uses of the existing terminal site as elements of the Application for purposes of review of a plan under Section 21661.6.
11. Provide a statement indicating whether the Authority – subject to zoning and other restrictions – proposes to construct parking spaces on property the Authority controls (other than the B-6 Property) in addition to the 5,000 spaces allowed on the B-6 Property under Paragraph C of the Application and whether any such proposal should be considered to be an element of this Application.
12. Provide a statement identifying the numbers of passengers the proposed terminal are designed to accommodate (1) with an adequate level of service and (2) in compliance with applicable codes. Indicate when the Authority projects that the Airport will reach these passenger levels. Provide a statement indicating how the Authority would manage increases in noise, pollution, or traffic if passenger counts exceed the level for which the terminal is designed.
13. Provide a statement identifying in particular all uses and capital projects proposed for the B-6 Property for which the Authority seeks approval in the Application.

The Airport Authority's provision of this information will provide the City an adequate basis to process the Application. Of course, we may need additional clarification regarding the information the Authority submits. However, we pledge to work closely with you and your staff to expedite this process consistent with the need for careful review and meaningful public notice and input.

In addition, the Preliminary Analysis will analyze whether the Application meets the criteria for approval identified in the 1996 Procedures. If the Authority has any information, data, or analyses more recent than the 1993 EIR or 1995 EIS that would be relevant to this analysis, we encourage the Authority to provide it to us as soon as possible.

Procedure for Addressing Authority Application

As you know, the title transfer documents governing the B-6 Property bar the Authority's acquisition and use of the Trust Property for airport Purposes. Thus, the Authority today has no legal right or ability to acquire the Trust Property and use the Adjacent Property for airport purposes – even if the City issues Section 21661 approval.

Because any changes to the Title Transfer Agreements and Section 21661.6 approvals are completely independent and subject to different procedures and considerations, Burbank will address the Application for Section 21661.6 approval independently of the Authority's requests to eliminate the deed restrictions, remove easements on the B-6 Property and allow the Trustee to transfer title. We recognize that addressing the deed restrictions and Section 21661.6 process in a purely serial fashion could be unnecessarily time consuming. Therefore, City staff proposes to work with the Authority's staff to begin staff-level analysis of the Application as soon as we receive the responses requested in this letter. We further propose that preparation of the Preliminary Analysis required under Burbank procedures for addressing Section 21661.6 applications proceed in parallel track with addressing the Authority's request to remove the deed restrictions.

In the interest of expediting review and legal processes, the City proposes to follow the following generalized process for addressing the Authority's separate requests:

- ?? We request that the Authority respond to this letter within 30 days with the requested clarifying information. If the Authority does not submit this information by September 30, the City will deem the Application to have been withdrawn. However, if you need more time, please contact me before September 30, 2000.
- ?? Upon receipt of the information requested by this letter and the City's determination that it adequately addresses the requests and demonstrates compliance with legal obligations such as CEQA, City staff will begin assessment of the Application and preparation of the Preliminary Analysis document. Staff will work with you at that point to develop an expeditious schedule for addressing the Application
- ?? We recommend that you authorize Authority staff to join City staff in discussions immediately to consider whether the Authority's proposed project conditions justify the changes to the Title Transfer Agreements necessary to allow the proposed terminal project to proceed. City Council policy, consistent with Resolution 25,747 (attached), dictates that any proposed decision to change the terms of the Title Transfer Agreements must be submitted for voter approval before any City Council action. To submit a question for the next regular election for which a question can still be certified (in February, 2001), we anticipate that we would need to certify the question by late November. Thus, it would be desirable to conclude discussions between the parties on modifying the Title Transfer Agreements within the next two months.

We believe that this proposed approach will provide the best means of addressing the distinct title transfer issues and Section 21661.6 issues, while maintaining consistency with City law and policies.

In order to ensure the most efficient and expeditious process, it is critical that the City and Authority consider at this time how to address the other approvals the Authority would need from the City to implement its proposed project. Accordingly, as part of your response to this letter, please identify all approvals that the Authority has concluded would be needed from the City prior to implementing the project identified in the Application. Also, please forward any questions, concerns or issues you may have regarding Burbank's proposed procedure for addressing the Section 21661.6 Application and deed restriction and title transfer issues.

In the interim, please call me if you have any questions about these issues. For the City staff, Paul Deibel will be the principal point of contact on the Section 21661.6 process. He can be reached at (818) 238-5250. Legal questions can be addressed to City Attorney Dennis A. Barlow or our special counsel, Peter Kirsch at Cutler & Stanfield.

Sincerely,

s/Susan Evans (for)
Robert Tague

Enclosures

cc: Robert Ovrom
Dennis Barlow
Paul Deibel
Burbank City Council
Carl Meseck

bcc: Peter Kirsch
John Putnam
Rick Pruetz

PROCEDURES FOR
REVIEW BY THE BURBANK CITY COUNCIL OF PLAN FOR EXPANSION
OF THE BURBANK-GLENDALE-PASADENA AIRPORT

This paper outlines the procedures and substantive standards that the City of Burbank proposes to use to review the Burbank-Glendale-Pasadena Airport Authority's proposed plan for expansion (the "Expansion Plan") under § 21661.6 of the California Public Utilities Code.

I. Introduction

The Burbank-Glendale-Pasadena Airport proposes to acquire property for use as the site of a proposed new passenger terminal. Much of the property is known as the "B-6" property because it was once the site of Lockheed's B-6 Plant.

Because the B-6 property lies within the limits of the City of Burbank, under California Law (PUC § 21661.6) the acquisition of the property may not begin until:

- ?? The Airport Authority submits a plan detailing the proposed uses of the property to the City of Burbank; and
- ?? the City of Burbank holds a public hearing on the plan and subsequently approves the plan.

The proposed acquisition of property and the associated new terminal project are subjects of intense interest to the residents of Burbank, the Airport Authority, Lockheed, and the Cities of Glendale and Pasadena, among others.

The procedures presented here are designed to provide the most expeditious review of the Expansion Plan possible while ensuring that all interested parties are given a full and fair opportunity to present their views on the Expansion Plan. The City plans to reach a decision on the Expansion Plan within ninety (90) days.

II. SUMMARY OF SCHEDULE

- DAY 1: Notice of Filing of Application to Airport Authority
- DAY 60: Issuance of Preliminary Staff Analysis of Expansion Plan*
- DAY 75: End of Period for Public Review of Preliminary Analysis
- DAY 80: Hearing Date Set (to be Held Within 10 – 40 Days)*
Notice of Public Hearing
- DAY 90: Target Public Hearing/Decision Date

?? If the City issues its Preliminary Staff Analysis earlier than day 60 or sets the hearing date later than 10 days after day 80, the date of subsequent events will change accordingly. It is the City of Burbank's intention to reach a decision on the Expansion Plan within 90 days after the Notice of Filing of Application is provided to the Airport Authority

III. OUTLINE OF PROCEDURES

Submission of the Expansion Plan

The Airport Authority has submitted the Final Supplemental Environmental Impact Statement and a copy of the current Airport Layout Plan as the Expansion Plan. (See attached letters from the Airport Authority.)

Notice of Filing of Application

The City of Burbank has determined that the information submitted by the Airport Authority constitutes an adequate plan on which to base a review of an airport expansion or enlargement plan under PUC § 21661.6.

The City will notify the Airport Authority by letter that its application for approval of the Expansion Plan under PUC § 21661.6 is complete. This Notice of Filing of Application will trigger the review process. The City intends to reach a decision on the Expansion Plan within ninety (90) days after the Notice of Filing of Application is provided to the Airport Authority.

Submission of Additional Information

The Airport is not required to submit any additional information regarding the planned expansion of the Airport. However, if the Airport Authority wants to submit any other information for consideration by the City staff in preparing its Preliminary Staff Analysis of the Expansion Plan, the City will accept that information until five (5) days after the Notice of Filing of Application is provided. The City will accept any information until the close of the public hearing.

Such information may include building specifications, plans detailing placement of buildings, sewer lines, water lines, etc., forecasts of aviation demand, analysis of airport capacity, environmental procedures and analysis, an access plan, a land use plan, a terminal area plan, development schedules and cost estimates, or any other information the Airport Authority wishes to provide.

Preliminary Review By City of Burbank Staff

Review of the Expansion Plan by the City staff will begin once the Notice of Filing of Application is provided to the Airport Authority. Within sixty (60) days, City staff will prepare a Preliminary Staff Analysis of the Expansion Plan (the "Preliminary Analysis"). A copy of the Preliminary Analysis will be provided to the Airport Authority immediately upon its issuance.

A copy of the Preliminary Analysis will also be available for public inspection (and may be copied at the expense of any interested party) at:

Community Development Department
Burbank City Hall
275 East Olive Avenue
Burbank, California 91502

Preliminary Analysis Review Period and Opportunity to Supplement the Public Record

A fifteen (15) day period will be provided for interested parties to review the Preliminary Analysis before the City establishes the date for a public hearing. This fifteen-day review period will begin when the Preliminary Analysis is provided to the Airport Authority. The Airport Authority or any other interested party may submit written comments on the Preliminary Analysis and/or additional information regarding the proposed expansion of the Airport during this period.

Submission of any written comments and/or supplementary information will be voluntary only and will be included in the public record.

Time of Public Hearing

Within 5 days of the end of the fifteen-day period for review of the Preliminary Analysis, the City Planner will set the date on which the public hearing on the Expansion Plan will be held. The date of the public hearing will be not less than 10 days and not more than forty (40) days thereafter.

Time and Manner of Notice of Public Hearing and Availability of Expansion Plan

Not less than ten (10) days prior to the hearing date, public notice of the hearing on the Expansion Plan will be provided in the following manner:

1. Notice of the Hearing will be published in a newspaper of general circulation in the City of Burbank. Such notice will:
 - (a) identify the Burbank City Council as the hearing body;
 - (b) notify the public of the hearing date, time, and place;
 - (c) provide a general explanation of the matters to be addressed and a general description of the property proposed to be used for the Expansion Plan; and
 - (d) inform the public that the Expansion Plan, the Preliminary Analysis, and any comments or supplementary information submitted by interested parties will be immediately available for review (and may be copied at the expense of any interested party) at:

Community Development Department
Burbank City Hall
275 East Olive Avenue
Burbank, California 91502
2. Notice of the Hearing will be provided to the owner of the subject property and the Airport Authority.
3. Notice of the hearing will be provided to all owners of real property within or outside the limits of the City of Burbank that is within 1,000 feet of the subject property.

Written Comments Prior to Hearing and Availability of Same

Written comments submitted prior to the hearing will be accepted by the City at the following address:

Community Development Department
Burbank City Hall
Attention: City Planner
275 East Olive Avenue
Burbank, California 91502

All written comments submitted to the above address will become a part of the record of the hearing. A copy of all written comments will be available to the public (and may be copied at the expense of any interested party) at the above address.

Hearing

The Burbank City Council will conduct the public hearing on the Expansion Plan in accordance with its standard procedures for public hearings. The Council may continue the hearing from time to time as it deems necessary or advisable.

Determination of Proper Public Notice

The hearing will open with a brief report by City staff on the steps taken to provide notice to the public and other interested parties. The hearing will continue only if the Council determines that appropriate public notice was provided.

Presentation/Summary of Expansion Plan

City staff will present a summary of the Preliminary Analysis and any revision made as a result of comments or information received during the review period. This presentation will include a summary of the proposed acquisition of the subject property by the Airport Authority and the role that property will play in the proposed Expansion Plan.

Summary of communications on Matters Under Consideration

Written communications received or provided by the City regarding matters under consideration at the hearing will be summarized. A copy of all such communications will be entered into the record.

Opportunity for Interested Parties to be Heard

Both those interested parties who favor and those who oppose approval of the Expansion Plan will be heard. Any written comments not previously submitted will be accepted and made a part of the record at that time.

The Airport Authority will be heard first. Thereafter, interested parties will be heard on a first-come, first-served basis.

Opportunity for Rebuttal

The Airport Authority will be granted a reasonable opportunity to present rebuttal testimony.

Record of Hearing

A record of the hearing will be made and will include: an audio tape of the proceedings, a copy of the Expansion Plan, a copy of all written comments received prior to and during the hearing, and any other material necessary to provide a full, adequate record of the proceeding.

IV. REQUIREMENTS FOR APPROVAL

The Expansion Plan will be approved if the Burbank City Council finds that:

(1) The advantages to the public of the proposed expansion outweigh the disadvantages to both the public and the environment. Environmental factors to be considered include noise, air pollution, and the burden on surrounding areas, including traffic.

(2) Approval of the Expansion Plan is consistent with the objective of adopting land use measures that minimize the public's exposure to excessive noise and safety hazards within areas around public airports to the extent that these areas are not already devoted to incompatible uses.

In determining whether these findings are justified, the City Council will consider any factors which it deems to be relevant, including the following:

(1) All phases of the proposed expansion, including land acquisition, project development, and operation.

(2) All significant effects of the proposed expansion, both direct and indirect, over the short term and long term, including the impact the project may have by attracting greater numbers of people to the airport.

Nothing in this section will preclude the City Council from approving the Expansion Plan subject to conditions designed to ensure that the advantages to the public of the proposed Expansion Plan will outweigh the disadvantages to both the public and the environment. Such conditions may include mandatory amendments to the Expansion Plan, or the imposition of restrictions or limitations, to the extent not preempted by federal law, on the implementation of the Expansion Plan.

RESOLUTION NO. 25,747

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK REQUESTING THE BOARD OF SUPERVISORS OF LOS ANGELES COUNTY TO AGREE TO CONSOLIDATION OF A SPECIAL BURBANK MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION OF TUESDAY, NOVEMBER 7, 2000, PURSUANT TO SECTION 10403 OF THE STATE ELECTIONS CODE, AND SETTING FORTH THE EXACT FORM OF SUCH A PROPOSITION TO BE VOTED UPON AT SUCH ELECTION.

THE COUNCIL OF THE CITY OF BURBANK RESOLVES AS FOLLOWS:

Section 1. That, pursuant to the requirements of Section 10403 of the State Elections Code, the Board of Supervisors of Los Angeles County is hereby requested to consent and agree to the consolidation of a Special Election of the City of Burbank with the Statewide General Election to be held on Tuesday, the seventh day of November 2000, for the purpose of submitting to the electors of the City a proposition to appear on the ballot as follows:

“Shall proposed Section 11-112 be added to the Burbank Municipal Code? This Section would require prior voter approval of any discretionary act of the City or agreement between the City and the Burbank-Glendale-Pasadena Airport Authority for a relocated or expanded airport terminal project in order for such act or agreement to be valid and effective.”	Yes	No

Section 2. That the Special Municipal Election be consolidated with the Statewide Primary Election to be held on November 7, 2000, and that within the City, the precincts, polling places and election officers of the November elections be the same.

Section 3. That the county election department is authorized to canvass the returns of the Special Municipal Election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.

Section 4. That the Board of Supervisors is requested to issue instructions to the county election department to take any and all steps necessary for the holding of the consolidated election.

Section 5. That the county election department is requested to cause copies of the ballot proposal, ordinance, impartial analysis, arguments and rebuttal arguments to be printed and cause copies thereof to be mailed to each of the qualified electors of the City of Burbank, California, as provided by law.

Section 6. That the City of Burbank recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for costs directly attributable to the placement of their ballot measure with the consolidated election.

Section 7. That the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the county election department of the County of Los Angeles.

Section 8. The City Clerk shall file a certified copy of this resolution, at least eighty-eight (88) days prior to the date of election but not later than August 11, 2000, with each of the following: The Board of Supervisors of Los Angeles County and the Los Angeles Registrar-Recorder/County Clerk.

PASSED and ADOPTD this 16th day of May, 2000.

s/Bill Wiggins
Bill Wiggins
Mayor of the City of Burbank

Attest:

s/Judie Sarquiz
Judie Sarquiz, City Clerk

Approved as to Form and Legal Content

s/Dennis A. Barlow
Dennis A. Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF BURBANK)

I, Judie Sarquiz, City Clerk, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Council of the City of Burbank at its regular meeting held on the 16th day of May, 2000, by the following vote:

AYES: Council Members Golonski, Kramer, Laurell, Murphy, and Wiggins

NOES: Council Members None.

ABSENT: Council Members None.

s/Judie Sarquiz
Judie Sarquiz, City Clerk