

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

THE NON-ASSISTED REDEVELOPMENT PROJECT,
ITS APPLICATION IN THE INDUSTRIAL AREA
OF BURBANK, CALIFORNIA

A Thesis submitted in partial satisfaction of the
requirements for the degree of Master of Arts in

Geography

by

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PREFACE

The terms "redevelopment" and "urban renewal" are often construed to have negative connotations. Based on the past record of federally funded urban renewal programs, there is probably good ground for such feeling. However, the problem remains that most U.S. cities are experiencing, to a certain degree, the processes of deterioration and decay. These are often represented by older commercial and industrial areas that have been passed over or otherwise forgotten in the race to develop cheaper land on the urban fringe.

The purpose of this study, through evaluation and analysis of land use conditions existing in an industrial area of Burbank, California, is to show what can be achieved through application of the non-assisted redevelopment process as carried out under a state community redevelopment law. This is, in effect, representative of a "bootstrap" type of effort, in that the process is carried out without use of federal funds or participation.

The key to the non-assisted project can be found in the tax increment method of finance. This concept has been largely responsible for the great number of "local" redevelopment projects undertaken in Los Angeles County over the past several years. The City of Burbank has been one such community, and hopefully, their accomplishments will serve as examples to aid other communities faced with similar problems.

ABSTRACT

THE NON-ASSISTED REDEVELOPMENT PROJECT,
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The California Community Redevelopment Law provides a means to organize and carry-out urban renewal or "redevelopment" projects at the local level. This means that local communities can, through a basically "bootstraps" effort, deal effectively with the problems of deterioration and decay that are facing many cities today. The state law or "non-assisted" redevelopment project relies on the "tax-increment" method for its financing, rather than the Federal Government, which has been the traditional source of urban renewal funds.

The Thesis looks at the problems encountered in the industrial area of Burbank, California. This area had initially developed, in and around the Lockheed Aircraft

Corporation facilities as a result of the demands of war-time production in the 1940's. By 1970 the building standards and land use criteria of thirty years ago had served to create potential problems for the City of Burbank. This Thesis analyzes the land use characteristics and structural conditions found in the industrial area, and reviews the methodology employed by the City of Burbank to revitalize the area. The Thesis briefly analyzes and evaluates the success of the project and comments on the future potential of the non-assisted redevelopment project concept.

CHAPTER I
URBAN RENEWAL AND THE
CALIFORNIA COMMUNITY REDEVELOPMENT LAW

Introduction

A review of the field of urban renewal and the area of industrial redevelopment reveals that although much has been written on these subjects, it deals almost entirely with federally funded renewal projects. There is little or nothing in the current literature to reflect the attempts of local jurisdictions in their "bootstrap" efforts to effect urban renewal without having to resort to State or Federal funding. Only eight of the fifty states have the necessary legislation that enables municipalities or counties to pursue urban renewal on their own. California is one such state, in which many local communities are using, with varied degrees of success, the provisions of a state community redevelopment law to pursue renewal programs without benefit of Federal aid.

Since little has been written about the mechanics of the non-assisted renewal program there exists a significant gap in the distribution of such knowledge, which if disclosed, could be of considerable value to the field of urban geography and to those geographers and city planners involved in urban renewal planning and programming. The purpose of this thesis is to explain the nature of the non-assisted urban renewal program, investigate its application to the revitalization of industrial land usage and

evaluate the impact of relevant public policy decisions. With this in mind, the thesis considers urban renewal in the federal context, the nature of the non-assisted renewal project, examines the City of Burbank, its problems, and the results of its non-assisted industrial redevelopment program in an attempt to make up-to-date knowledge available to geographers, other social scientists, planners, and public administrators.

Perspective on Urban Renewal

The first major federally assisted urban renewal program was established in 1949 as part of the U.S. Housing Act of 1949. This act provided for the achievement of a national goal of "a decent home and suitable living environment for every American family."¹ In support of this goal the Act permitted, for the first time, the sale of land purchased and cleared with federal aid to private developers for residential development. Although the Act did not provide for any significant form of non-residential redevelopment it gave recognition to the fact that private investment capital must be attracted if the goals of the program were to be attained. The 1949 Act was significant in that it had become the symbol of the joint public and private sector needed to accomplish the stated goal.

As a result of the implementation of the 1949 Act it became increasingly obvious to federal officials that in order for urban renewal to be successful as a process of revitalization and change, it would have to consider all

aspects of the community, not just the residential component. The U.S. Housing Act of 1954 represented a major breakthrough in this area, in that it provided that ten percent of all urban renewal funds be designated for non-residential renewal projects.² Gradually the allocation of funds for non-residential projects was increased in successive Housing Acts to 35% by 1966.³ Unfortunately, this increase in non-housing related funds has been criticized as being a subversion of the intent of the Housing Act. Regardless, it is not the intent of this thesis to discuss the relative merits of the various federal housing acts; of which there were no less than twelve enacted during the period 1949-1966, but to discuss the increasing interest on the part of the Federal Government maintaining viable industrial and commercial areas through the urban renewal process. Nonetheless, the majority of renewal programs established by the Federal Government continue to be oriented toward providing decent, safe and sanitary housing.

Of the various federal urban renewal programs, two stood out in attempting to provide a more comprehensive approach to redevelopment. These were the Community Renewal Program (CRP) and the Neighborhood Development Program (NDP), both of which are being phased out due to the expiration of project funding.⁴

The purpose of the CRP was to establish a long-range program for the elimination of slums and blighted areas within the cities. It provided an estimate of the city's

total renewal needs, based on the relationship of these needs to the community's general plan, the ability of the community to pay its share of the required funding, the marketability of land, and the provision of relocation resources. The result of the CRP was that priorities for projects could be established within the community and the renewal program could be put on a long-range planning basis. In this respect, then, the CRP would have to be considered an attempt at establishing a comprehensive and long-range plan for community action.

Introduced in the Housing and Urban Development Act of 1968, the NDP was designed to allow a community to establish its renewal program on an annual basis.⁵ Under the provisions of the NDP, a community could undertake as much of an overall renewal program as they felt was necessary or within their capabilities. The NDP, being more general than the CRP, permitted a greater degree of flexibility in organizing renewal activities and enabled the renewal process to become a more comprehensive program of community development.

In late summer of 1974, the Housing and Community Development Act of 1974 was signed into law. The act represents the result of several years of effort by Congress, the Department of Housing and Urban Development (HUD) and the nation's cities to simplify and consolidate the various community development programs into one workable program.⁶ The 1974 Act provides for a series of community development

block grants to be used for the development of viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities for persons of low and moderate incomes. At this writing, the first applications for local projects are being considered by HUD and it will be some time before its contributions to urban revitalization can be assessed.

The foregoing has been an outline of the federal government's efforts to maintain urban viability. Without passing judgement on the success or failure of federal involvement it should be pointed out that local communities are turning, increasingly, to the concept of the non-assisted renewal project in an attempt to solve basic economic and social ills.

The Non-Assisted Renewal Program

California communities derive their authority to pursue such non-assisted redevelopment or renewal programs from the provisions of Part 1 of Division 24, of the Health and Safety Code of the State of California (Sections 33000 et seq). These provisions are more commonly known as the California Community Redevelopment Law.

The law provides that a community, that is, "a City, County, City and County, or Indian tribe, band or group which is incorporated or which otherwise exercises some local government powers..." may form a redevelopment agency to eliminate blight and blighting conditions from the community.⁷ Blight, by definition, may be of a physical,

social or economic nature (see Appendix I for definitions of blight as they apply here). State policy observes that in many communities existing blighted areas constitute social and/or economic liabilities which require redevelopment in the interest of the health, safety and general welfare of the populace of such communities and the State.⁸

The prime objective of this policy is, of course, to provide for the removal of blight in all of its various socio-economic and physical aspects. California, then, has taken significant steps towards the evolution of a public policy to solve the problems of blight and blighting conditions.

It is important to note at this point that until 1965 all redevelopment projects in California were of the federally assisted type. Again, the creation of non-federally assisted projects came about primarily for two reasons. First, there were not enough federal funds available to meet demand. Second, experience proved that the federal partnership in the redevelopment process, in many instances, resulted in exorbitant costs arising in administrative restrictions and demands made by the federal government.⁹

Historically, the federal government's participation with communities in redevelopment projects had been twofold: (1) the federal government provided working capital in the form of loans to a redevelopment agency so that the renewal process could be financed and initiated. In a federally assisted redevelopment project, the federal

government would pay from two-thirds to three-fourths of the net project cost. The remaining one-third or one-quarter of net project cost had been the responsibility of the local community.

Financing the Non-Assisted Project. From the inception of the California Community Redevelopment Law provisions for a type of financing known as "tax allocation" have played a significant part in the success of the non-assisted project concept. All projects in California, directly or indirectly, have used this financing technique to defray the local share of net project costs. This form of tax allocation financing is known as the "tax increment" method, and is largely responsible for the success of the local non-assisted project. At this point the nature and mode of this method should be placed in its historical perspective.

Both federal and state laws have been revised several times and have continually served as both a vehicle for permissive renewal of project areas in communities and also as a "tool" for partnership sharing between the communities and the federal government for the financing of redevelopment projects. The federal laws have provided for financial assistance from the federal government for redevelopment activity costs. The early redevelopment projects on the Eastern-seaboard and throughout the Midwest were financed through the federal programs, and local community contributions were provided mainly by means of general obliga-

tion bond financing approved by vote of community residents.

As early as 1951, the first redevelopment project in California (the Los Angeles Community Redevelopment Agency's Bunker Hill Project) was initiated as a federal Urban Renewal program and an attempt was made to issue general obligation bonds in order to provide the local financial share. This proposed bond issue failed to receive the approval of the voters. Jerome Sears, who was then Controller of the Los Angeles Community Renewal Agency, and Warren Beebe, a senior partner of the firm of O'Melveny and Meyers, Bond Consultants in Los Angeles, conceived and carried forward efforts to recommend the legal basis for the technique of tax allocation financing.¹⁰ The idea behind this fiscal approach came from an analysis of one of the many results stemming from the implementation of a redevelopment project. The singular result which merited examination was the fact that property valuations increase with the removal of blight and its replacement by new development. It was suggested, therefore, that an increase in property values will have the effect of increasing property tax assessments and property tax revenues. Sears and Beebe asserted that the community which created a redevelopment project and carried forward its implementation should be allowed to recover its cost from the increased value and resulting tax revenues brought about by the community's renewal of the project area.

Thus, the tax created by the results of the redevelo-

ment project can provide, in whole or in part, for its financing. As a consequence, Community Redevelopment Law provides that any or all project costs may be paid from the tax allocation revenues provided that there is an indebtedness for such costs. Tax allocation revenues may be utilized directly from the taxes obtained from the county tax collections or may be used indirectly for the repayment of bonds (an Agency debt) which have been issued to obtain the necessary working capital in order to provide for project costs.¹¹

Applying the Tax-Increment Method. An illustration of how the tax increment method might be used for the generation of capital is illustrated in the example below.

A redevelopment agency has acquired a 15,000 sq. ft. parcel for \$50,000, plus the cost of escrow fees, demolition of existing substandard structures, clean-up and miscellaneous relocation expenses. The total cost to Agency is \$52,000. While current assessed value of this parcel is

Land	\$10,000	40,000
Improvements	<u>500</u>	2,000
Assessed Valuation ¹²	\$10,500	
Market Value ¹³	\$42,000	

Taxes currently paid on this parcel amount to \$1,107 per year (\$10,500 x \$.10543). On the other hand, the redevelopment agency can reasonably expect to sell this land to a private developer at its original cost (\$50,000). The developer would then agree to construct a 7,000 sq. ft.

building on parcel which would provide an added value of \$70,000. Anticipated re-use assessed value for the parcel would then be:

Land	\$10,000
Improvements	<u>17,500</u>
Total	\$27,500

By deducting previous assessed value from above total tax increment accruing to agency can be derived, so:

	\$27,500	New valuation after redevelopment
minus	<u>10,500</u>	Old valuation
	\$17,000	Difference
x	<u>.10543</u>	Current Tax Rate/\$1.00 of assessed valuation
	\$ 1,792.31	Total tax increment accruing to agency.

Now the question arises, what about the \$2,000 in public funds spent by the Redevelopment Agency for site preparation and other incidental fees? This is offset by the tax increment over a period of two years, which would result in a gross increase in tax revenue of \$3,584.62.

Money can be used to offset Agency expenses in other areas, or the accumulated tax increments from a number of such development sites can be used for debt service on Agency bonds, which would allow for expanded redevelopment activities.

An example of this latter case can be seen in the following chart:

ASSESSED VALUE AND TAX INCREMENT REVENUES

<u>Year</u>	<u>Total Assessed Values</u>	<u>Total Tax Levy</u>	<u>To Taxing Authorities</u>	<u>Tax Increment To Agency</u>
1971-72 (Base Year)	\$88,000,000	\$8,800,000	\$8,800,000	None
1972-73	96,000,000	9,600,000	8,800,000	\$ 800,000
1973-74	118,000,000	11,800,000	8,800,000	3,800,000

According to the chart, there was no tax increment accruing to the agency in fiscal year 1971-72. This was because the base year determines the point at which the tax increment will begin to accumulate above the existing level of assessed values. The fiscal year 1972-73 saw an increase of approximately \$8,000,000 above the base year, which in turn resulted in an increment of \$800,000 to the Agency. Conversely, if the assessed valuations had dropped there would have been no tax increment that year. For fiscal year 1973-74, the total assessed values in the project increased approximately \$30,000,000 above the base year, which resulted in a \$3,000,000 total increment to the Agency.

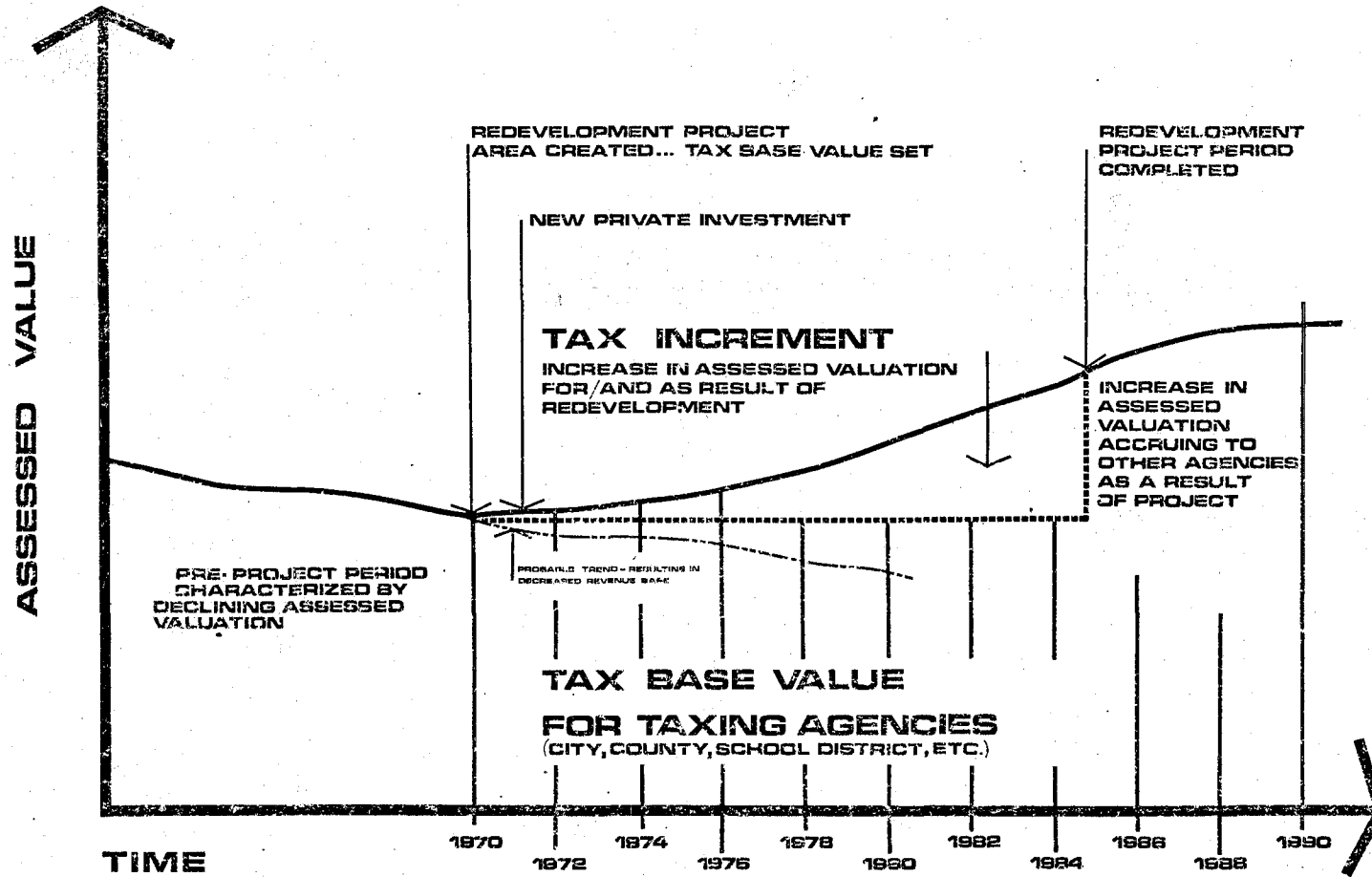
In 1972-73, the agency used the \$8,000,000 increment to bond for \$7,000,000 to accelerate its property acquisition and public improvements program. Supposedly, this influx of capital into the redevelopment process should account for the size of the increase in the tax increment from fiscal year 1972-73 to fiscal year 1973-74. The end result is increased tax revenues from the new construction and an improved economic base. Figure 1 shows in graphic

form the impact that tax increment financing can have on the tax structure of the local taxing agencies. It should be noted that oftentimes redevelopment is undertaken in response to declining assessed values in a community, and it is quite likely that without some form of redevelopment activity the downward trend in assessed values would continue. Although Figure 1 indicates that the taxes derived from increased assessed values (the increment) as a result of the redevelopment process are unavailable to the taxing agencies for a protracted length of time, the net result at the end of the project is a "windfall" in the form of additional revenue to the taxing entities. Again, this is something that might not have occurred without the intervention of the renewal process.

The foregoing has been a discussion of the background of the development and financing of the non-assisted renewal process. While the application of this process will be analyzed in a later chapter, which deals with a case study, it is necessary to consider industrial redevelopment as a basis for an understanding of why the city of Burbank undertook as its primary redevelopment effort, the renewal of its industrial core.

Figure 1--The Basis of Tax Increment
Financing.

TAX INCREMENT FINANCE



FOOTNOTES FOR CHAPTER I

1. U.S., Housing Act of 1949; Public Law 81-171
2. U.S., National Housing Act of 1954; Public Law 86-560.
3. Jewell Bellusch and Murray Hausnecht, "Urban Renewal: An Historical Overview," Urban Renewal: People, Politics and Planning, eds. Jewell Bellusch and Murray Hausnecht (Garden City: Doubleday and Co. Inc., 1967). P; 3-16.
4. This does not mean, however, that there is no longer money available for Urban Renewal Projects. There is still a Federal Urban Renewal Program, and numerous housing programs, but none of these are as comprehensive as was the CRP and NDP.
5. U.S., Housing and Urban Development Act of 1968, Public Law 90-448.
6. The Act consolidated all Title I activities and amendments including conventional renewal projects, NDP, code enforcement programs, open space land acquisitions, basic water & sewer facilities grants and the Model Cities Program.
7. California, Health and Safety Code, Community Redevelopment Law; Sec. 33002 (1963).
8. Ibid., Sec. 33030.
9. See, for example, Herbert J. Gans, "The Failure of Urban Renewal," Commentary (April 1965), pp. 29-37; and Martin Anderson, The Federal Bulldozer (Cambridge, Mass: MIT Press, 1964) p. 272.
10. Letter from John Gray, consultant on urban renewal finance and administration (May 16, 1973).
11. California, Community Redevelopment Law, Op. Cit., Secs. 33670-33672.
12. In California real property is assessed at 25% of its market value.
13. The price paid for a parcel of land by a redevelopment Agency is determined by an appraisal done by a qualified Real Estate Appraiser, and is not based on the County Assessors figures which are often incomplete and out of date; hence, the \$8,000 difference in figures.

CHAPTER II
PERSPECTIVE ON INDUSTRIAL REDEVELOPMENT AND REVIEW
OF LITERATURE

The Role of Industry in the Community

Traditional economic thought has held that the primary impact of industry on a community was that of determining the community's growth and wealth. Through the "multiplier effect," industry (the export sector) generates other economic activity in the service sector; that is, for every job in the export sector additional supporting jobs are created in the service sector.¹ The size and type of the community, of course, determines the size and impact of the multiplier. For example, the wage level in the industrial sector of the economy tends to determine the wage level in the service sector, and thus affects the over-all standard of living for a given community or area. This particular phenomenon is referred to as the "intra-area roll-out," and is largely the result of the intra-area competition for labor.² A simplified illustration of this phenomenon concerns high-wage industries such as aerospace and related technology which have an upward effect on other wages as compared to lower-wage industries such as food processing or textiles. Therefore, a school teacher working in an aerospace or technology dominated community is likely to be better paid than his counter-part working in a textile-producing town. Thus, industry finds itself in the dual role of providing the basic livelihood for a community, and

of also determining the level of that livelihood.

Changing Patterns of Industrial Location

On this basis then, there is little question about the importance of industry to the well-being of most communities.³ Yet, modern technological advances and resultant lifestyles have caused profound changes in industrial location patterns. New areas have been opened up to industrialization. Many of these areas are on the periphery of established urban centers and in formerly undeveloped regions.⁴ This has resulted in a competitive disadvantage for mature or fully developed cities which now find that maintaining their industrial capabilities has become an increasingly difficult task. Often, these cities owed their past growth to characteristics, such as accessibility, skilled labor, raw materials, or markets, that were once useful to one industry or another. These cities have found that their industrial space is, by present standards, largely obsolete.⁵ Suitable vacant land is scarce or non-existent, thus driving economic rents upward. The increased mobility of the population has resulted in a decline in the attractiveness of the urban center, in favor of the outlying suburban areas. Many such old industrial areas are now characterized by the following conditions: a lack of desirable (that is, clean, growth-oriented, high wage) firms; and structural decline and blight caused by intensive and over use, poor maintenance, declining rents and assessed valuations.

Responding to the Problem. How can the mature or older municipality respond to the kinds of enumerated problems? Industrial redevelopment would appear to be one answer, especially when one considers two of the main goals of redevelopment: the elimination of blight (both physical and economic), and the bolstering of the economic base. It is generally recognized that there are three different levels of urban renewal, all of which are applicable to industrial redevelopment and are dependent on the extent to which an area has deteriorated. As a temporary measure, and one not wholly considered as renewal, the reconditioning of an area is often attempted. However, as an actual renewal measure, conservation is a more permanent measure and is considered the first level of urban renewal. It is directed at restoring the economic and social integrity of a deteriorating, but still basically sound area. This treatment involves minor repairs, individual action in bringing the area up to the standards of the Uniform Building Code in regard to plumbing, electrical, fire prevention, and occupancy and which also involves other less drastic techniques that are generally applied to areas which are basically sound. Structures may be classified as standard, conservable (feasible for rehabilitation), or substandard (requiring demolition).

The second level of urban renewal, or that of rehabilitation, is a type of treatment designed to provide safer and decent living and working conditions in areas that cannot be economically renewed to a long-term sound

condition through conservation alone and may require a certain amount of land clearance if code requirements cannot be satisfied. Generally, property owners are required to upgrade and maintain their facilities to standards set by the local redevelopment authority. The most extreme level of urban renewal involves clearance and redevelopment.

Where conditions are determined to be of such a nature that correction through conservation and rehabilitation is not feasible, acquisition of the property by a public agency becomes necessary. The justification for such public action is purely economic and is based primarily on the basic tax concept of the municipality. Two points are of primary significance in this respect. The first is that improvements (i.e., structures) are taxed according to their value. Obviously, a new or well maintained structure has a higher value than an old, decrepit building of similar size and construction. Therefore, the better improvement will generate greater tax revenues. The second point has to do with the cost and distribution of municipal services within the city. If such services are distributed equally throughout the city, and the above mentioned buildings require and receive equal services (and such services are paid for by tax revenues) it is reasonable to expect that the older building is receiving its services for less cost than the newer building. In another sense it might also be said that the newer building is subsidizing a portion of the services received by the older building. This example can,

of course, be expanded to include areas within a city rather than individual buildings. Yet, it still holds true that the declining area is going to generate less taxes than, but require the same amount (or more in some cases) of services as, the newer, well-kept area.

Remedial Actions. When a community encounters a loss of tax revenues resulting from a declining area, there are several remedial actions from which to choose. There is the possibility of reconditioning the area through concentrated code enforcement programs, or by allowing the private sector to undertake new construction in the area. However, without sufficient incentives, the private sector will seldom consider such an alternative. It would behoove the public sector to provide the incentives necessary to induce the private sector to undertake development in these areas. Again, the justification for public action in this regard is economic, for when the profitability of development is compared with that of redevelopment it is easy to see why the private sector has largely confined its activities to development alone.

Simply stated, the differences in the two approaches lie in the fact that in the redevelopment process a developer must consider not only the initial land cost, but must also purchase, raze, and remove any existing improvements prior to beginning new construction. As such, these additional costs are often prohibitive, and the result is that a prospective developer, realizing diminished profits

or no profit at all, soon loses interest in a potential site. At this point, it should become the responsibility of the public agency to take action and provide the developer with the incentive to invest in the site in question. By the absence of any incentive, the situation could conceivably worsen and the tax base erode even further.⁶

These cost factors, then, tend to determine whether or not redevelopment will be successful or feasible. Furthermore, the potential for successful participation by the public sector in the redevelopment process at any given location depends on the cost of property in relationship to its value after redevelopment. Obviously, if redevelopment in the high value built-up urban areas is to compete with development in lower value urban fringe areas, then public policies must be developed to make up for economic inequities.

Previously, this public policy role had been assumed by the federal government. Now it is being taken up by many state and local governments through specific enabling legislation. The objective of urban renewal then has been to provide a means of cooperation between government and private enterprise to achieve a viable economic environment through the elimination and prevention of blight and blighting conditions brought about over a period of years by neglect, economic and physical deterioration, obsolescence and other conditions. The elimination of these blighting factors may be accomplished by the above methods either individually or in combination.⁷ Ultimately, this paper

will discuss the means by which the Burbank Redevelopment Agency has applied these procedures to the revitalization of a portion of its industrial area.

Review of Literature

At this point, it is necessary to put the problem into perspective by reviewing the pertinent literature in the field and relating such literature to the basic redevelopment questions. The location of such phenomena in space, has been the subject of continual investigation by geographers for many years. This is, of course, to be expected, since it is partly the nature of geography to be concerned with locational or spatial analysis. Larry S. Bourne, in his anthology on urban structure, recognized that all cities maintain a certain amount in internal organization, and that such organization is generally manifested in distinctive land use patterns.⁸ Many attempts have been made to categorize and explain such patterns. In addition to Bourne, the earlier works of Burgess, Hoyt, and Harris and Ullman merit consideration since their efforts bear on the nature of urban decay and redevelopment.

Concentric Zone Theory. Burgess' Concentric Zone Theory, as developed in the period 1925-29, made considerable impact in the fields of urban geography and sociology. It was an early attempt at analyzing the morphology of the American city, and although looked upon today as being a quaint generalization, it nonetheless helped to stimulate thinking. His theory was based on the existence of five

concentric zones wherein a specific activity or land use predominated (see Figure 2).

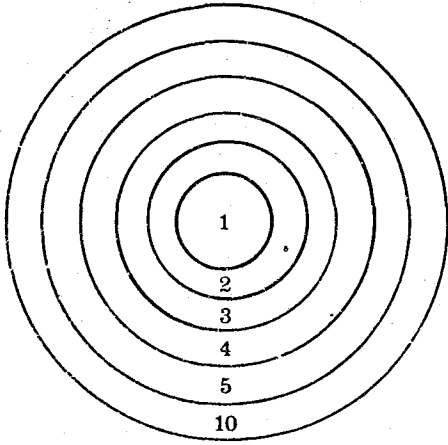
The first (innermost) zone represented the central business district. This area was characterized as being the social and economic center of the community, with its banks, offices, retail areas, cultural amenities, and government offices. Surrounding this was the wholesale business district which graded into the next zone, largely a zone of transition. This zone was characterized by the encroachment of manufacturing uses into residential areas. It was composed of an inner factory belt and an outer belt of retreating home values, and according to Burgess, was an area of poverty, degradation, and crime.

Outside the zone of transition was a zone of independent workingmen's homes. This area was composed largely of the homes of factory workers, laborers, and others who worked in the second zone and desired to live close to their place of work.

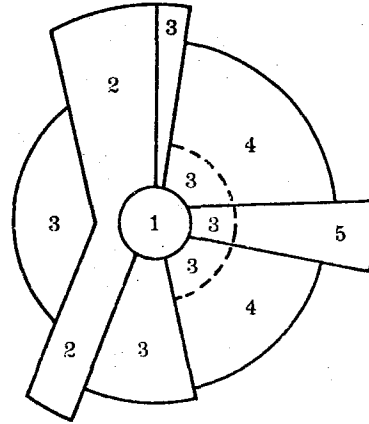
The fourth zone, or zone of better residences was the area of homes of the middle classes, that is small business proprietors, professional people, clerks, and salesmen. Locally oriented shopping areas were also associated with this zone.

The outermost zone, or commuters' zone was an area of suburban and satellite communities that had sprung up along transportation corridors. The people in this zone worked primarily in the central business area, and were consider-

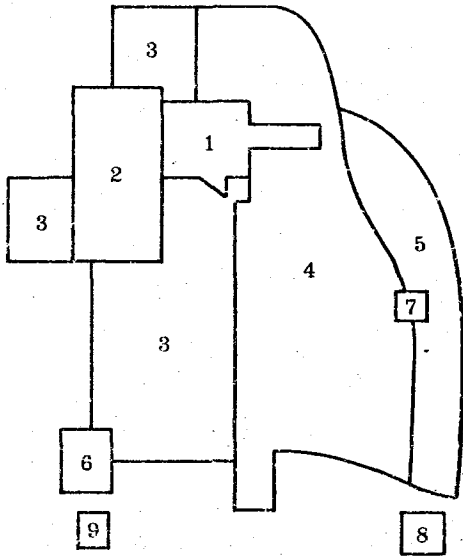
Figure 2--Four Generalizations of the Internal
Structure of Cities



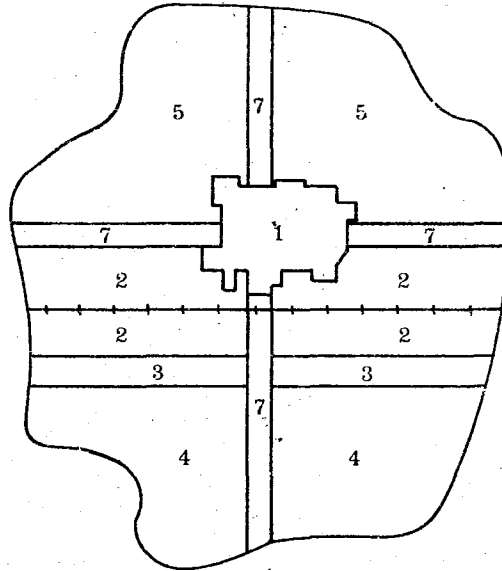
Concentric Zone Theory



Sector Theory



Multiple Nuclei



Davie Theory (Modified)

FOUR GENERALIZATIONS OF THE INTERNAL STRUCTURE OF CITIES

DISTRICT:

- | | | |
|----------------------------------|-------------------------------|----------------------|
| 1. Central Business District | 4. High-class Residential | 9. Industrial Suburb |
| 2. Wholesale Light Manufacturing | 6. Heavy Manufacturing | 10. Commuters' Zone |
| 3. Low-class Residential | 7. Outlying Business District | |
| 4. Medium-class Residential | 8. Residential Suburb | |

ably more affluent than those who lived in all but the innermost zone.

Upon analysis, Burgess' theory tends to be wrought with obvious inequities and shortcomings, and even allowing for distortions in the zones arising from physical and relief features, it is only a vague approximation of the actual land-use patterns in most American cities. In a re-evaluation of this theory by Homer Hoyt it is pointed out that, by 1939, Burgess' theory had become obsolete and that the situation was changing.¹⁰ By 1964, the second zone was no longer characterized as being a "zone in transition" from residential to industrial use. On the contrary, industry had begun its move outward from the inner city area and by 1964, in the case of Chicago (the study area for Burgess' model), the area had been completely redeveloped with the predominant land use being devoted to apartments and other multiple family residential uses. The unforeseen liability in Burgess' theory was the increased individual mobility afforded by automobile transportation which allowed considerably more flexibility in the location of living and work activities.

The Davie Theory. Perhaps a more accurate description of what composes the land use make-up of a city was advanced by one of Burgess' critics, Maurice R. Davie.¹¹ Davie felt that city structure was characterized by: (1) an irregularly sized and shaped central business district; (2) strips of commercial land use extending outward from the

central business district along radial thoroughfares and resulting in significant commercial concentrations at points along the way; (3) the location of industry along and near transportation corridors; (4) the location of a poorer grade of housing adjacent to these industrial areas; and (5) first and second class housing in the remaining interstitial areas. It was, however, Davie's conclusion that there was no ideal pattern that could be universally applied to land use within cities. As will be pointed out in a later chapter, Davie's characterization seems most appropriate for the case of Burbank.

Sector Theory. Homer Hoyt, although concerned primarily with residential land use in the city, advanced a theory wherein land use patterns were more appropriately defined by sectors than by concentric circles. Hoyt's premise rested on a study of data derived from sixty-four American cities in the 1930's. Although residential rent was the basis for plotting such sectors, nonetheless, Hoyt implied that the location of the various grades of residential areas were determined by the nearness of commercial concentrations and proximity to transportation lines and linkages, a situation that was indicative of the factors beginning to influence the growth and development of the American city in the 1930's.¹² Such factors included the automobile, and the attendant increase in social and economic mobility associated with automobile ownership and use. The increased individual mobility rendered by the automobile

was greatly responsible for the post-war building boom and the massive urbanization process that we had come to accept as part of contemporary American life. This seemingly directionless growth was serving to severely distort the models of Burgess and Hoyt, and caused Chauncy P. Harris and Edward Ullman to postulate their theory on multiple nucleations of specific land uses in 1945.¹³

Multiple Nuclei Theory. The multiple nuclei concept is basically a composite which includes the concentric zone and sector theories, in an attempt to explain land use patterns as an expression of several separate points of focus rather than around a single center. The term nucleus, as used by Harris and Ullman, represents an element capable of attracting and generating growth of a specific nature, i.e. residential, business, industrial, etc.¹⁴ According to Harris and Ullman, these distinct nucleations evolved from a combination of four basic factors including: (1) specialized requirements necessary to the nature of a given activity (manufacturing districts, for example, are dependent on transportation linkages, city services, and sizeable tracts of land); (2) like activities tend to group together, since in most cases they can profit from the proximity of other similar uses; (3) unlike activities are generally incompatible with each other (residential use in an industrial area is a common example of such incompatibility); and (4) the economic attributes common to the various types of land use tend to exclude the possibilities of

certain combinations of uses (therefore, one could not readily expect to find bulk wholesaling or warehouse operations, which require considerable room, in the heart of a financial or retail district).¹⁵

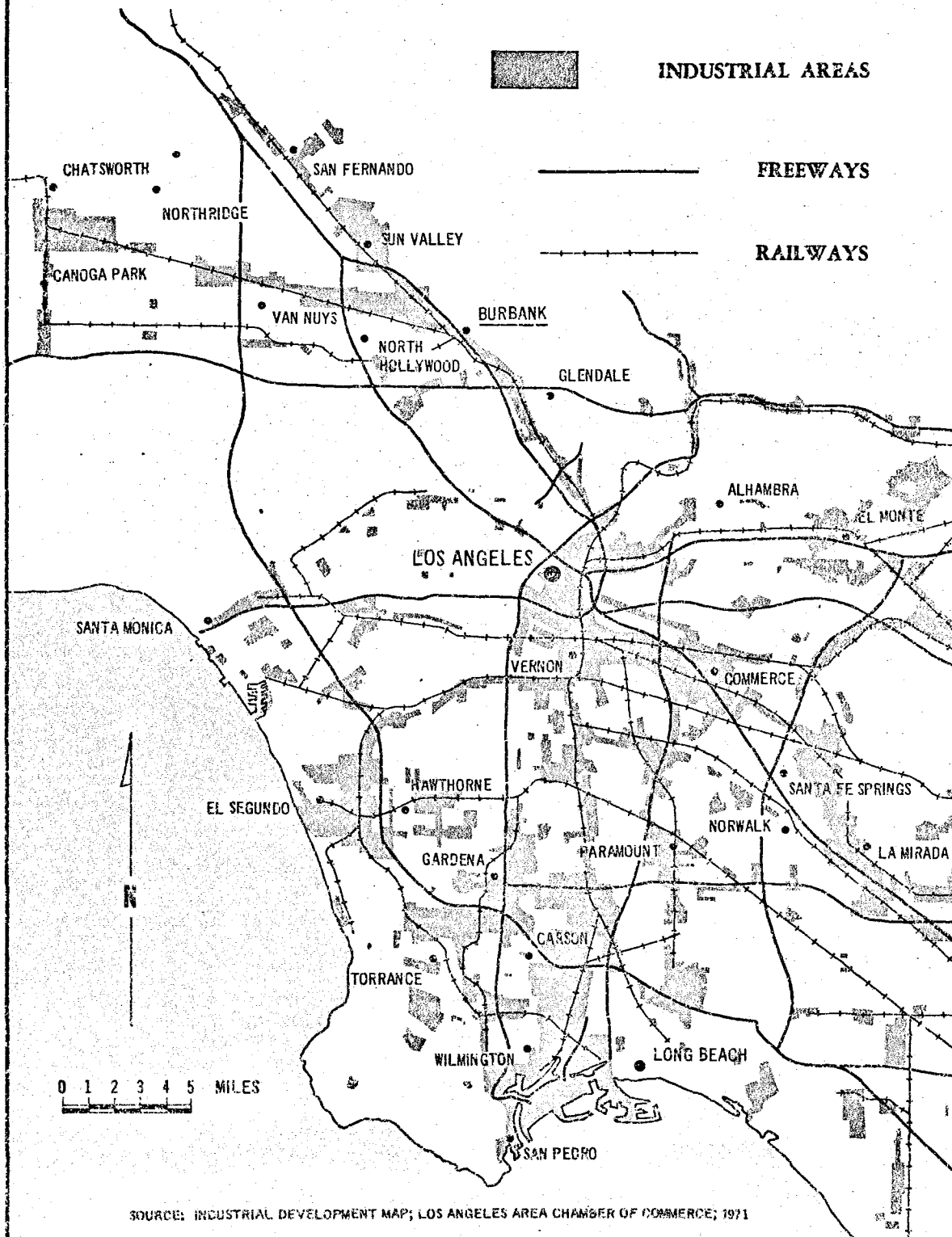
In describing the several types of districts which have developed around nuclei in most large American cities, Harris and Ullman cite the significance of proximity of the various transportation modes to the function of the wholesaling, light manufacturing and heavy manufacturing districts. These relationships between surface transportation linkages and industrial areas in the Los Angeles region are clearly shown in Figure 3. It is apparent from the map, that much of the area devoted to industrial use in this area is confined to significant major nucleations. However, it is also obvious that there is a considerable degree of sectoralization involved along the freeways and rail corridors. This condition illustrates a major area of weakness in the multiple nuclei concept which relates to the location of industrial activities in the Los Angeles region. This observation is further discussed in a work by Dudley F. Pegrum, who analyzed the relationship between the location of industry and pre-existing transportation corridors in Los Angeles.¹⁶

Area Land Use Patterns

An analysis of the theories of Davie and Pegrum have led to the conclusion that the form and extent of multiple nucleations exhibited by diverse types of land use are

Figure 3--Los Angeles Region Industrial Areas

LOS ANGELES REGION INDUSTRIAL AREAS



SOURCE: INDUSTRIAL DEVELOPMENT MAP; LOS ANGELES AREA CHAMBER OF COMMERCE; 1971

controlled by factors other than just the four cited by Harris and Ullman. First of all, the author believes that industrial nucleations will be primarily controlled by topography and transportation lines, and will continue to expand along a sector controlled by these factors until it begins to come into conflict with a use that is of a higher economic order. An example of such a use would be a concentration of retail activities which to a large extent are dependent on a location at the intersection or terminus of major transportation lines, and are more nodal than sectoral in nature. In the case of the industrial areas depicted in Figure 3, these areas have developed along major transportation corridors and have been controlled in their growth and expansion by the location of physical barriers and nodes of commercial and retail activity, which are activities that are produced by higher land values and the concomitant need for higher intensity use. Such conditions tend to exclude the possibility of industrial corridors encroaching into these nodal concentrations of commercial land use.¹⁷ However, this does not mean that a use, such as industry, which is dependent upon low value land will be stymied in its growth. On the contrary, the process continues in the direction of least resistance with any lower intensity use (such as residential) giving way to encroachment by the higher value use (in this case industrial). This is largely the pattern that is observable within the City of Burbank, with such encroachments having proceeded

in a leap-frog fashion leaving enclaves of residential uses in the midst of areas that are now predominantly industrial. Resultant problems created by this pattern of expansion have become the concern of the Burbank Redevelopment Agency.

FOOTNOTES FOR CHAPTER II

1. See for example, Ralph P. Fouts, ed., The Techniques of Urban Economic Analysis (West Trenton, N.J.: Chandler-Davis Publishing Co., 1960).
2. Wilbur R. Thompson, A Preface to Urban Economics (Baltimore: John Hopkins Press, 1965), pp. 72 et. seq.
3. There are, of course, exceptions to this in the form of resort and recreational communities, but as a general rule this holds true.
4. See, for example, Edgar M. Hoover and Raymond Vernon, Anatomy of a Metropolis (Garden City: Doubleday and Company, Inc., 1962), pp. 23-24.
5. Ibid., pp. 27-28, 30-32.
6. See, for example, Brian J.L. Berry and Frank E. Horton, Geographic Perspectives on Urban Systems (Englewood Cliffs, N.J.: Prentice-Hall, 1970), pp. 483-487.
7. See, for example, The Urban Renewal Program of the City Planning Department (Los Angeles: City of Los Angeles, 1970).
8. Larry S. Bourne, ed., Internal Structure of the City (New York: Oxford University Press, 1971), pp. 536.
9. Ernest W. Burgess, "Growth of the City," The City, eds., Robert E. Park, Ernest W. Burgess, and Roderick D. McKenzie (Chicago: University of Chicago Press, 1925); Homer Hoyt, The Structure and Growth of Residential Neighborhoods in American Cities (Washington, D.C.: Federal Housing Administration, 1939); Chauncy D. Harris and Edward L. Ullman, "The Nature of Cities," The Annals of the American Academy of Political and Social Science, 242: 7-17 (November 1945).
10. Homer Hoyt, "Recent Distortions of the Classical Models of Urban Structure," Land Economics, XL, No. 2 (1964), 199-212.
11. Maurice R. Davie, "The Pattern of Urban Growth," Studies in the Science of Society, ed., G.P. Murdock (New Haven, Conn.: Yale University Press, 1937), pp. 133-161.
12. Hoyt, op. cit., pp. 117-119.
13. Harris and Ullman, op. cit., pp. 14-15.

14. Murphy, op. cit., pp. 214.
15. Harris and Ullman, op. cit., pp. 14-15.
16. Dudley F. Pegrum, Urban Transport and the Location of Industry in Metropolitan Los Angeles (Los Angeles: U.C.L.A., Bureau of Business and Economic Research, 1963), pp. 45.
17. The obvious exceptions are service commercial type uses, including gas stations, lunch rooms, and other uses that are considered ancillary to an industrial area.

CHAPTER III
BURBANK'S INDUSTRIAL ORIGINS AND
BACKGROUND TO REDEVELOPMENT

Site and Situation

An apparently indistinguishable part of the Greater Los Angeles metropolitan area, the incorporated City of Burbank is a community of approximately 90,000 inhabitants. It is situated at the eastern end of the San Fernando Valley and lies nestled at the foot of the Verdugo Mountains, a series of upward-thrusted fault blocks of bold relief that rise dramatically behind the city to an elevation of over 2,600 feet (see Figure 4).

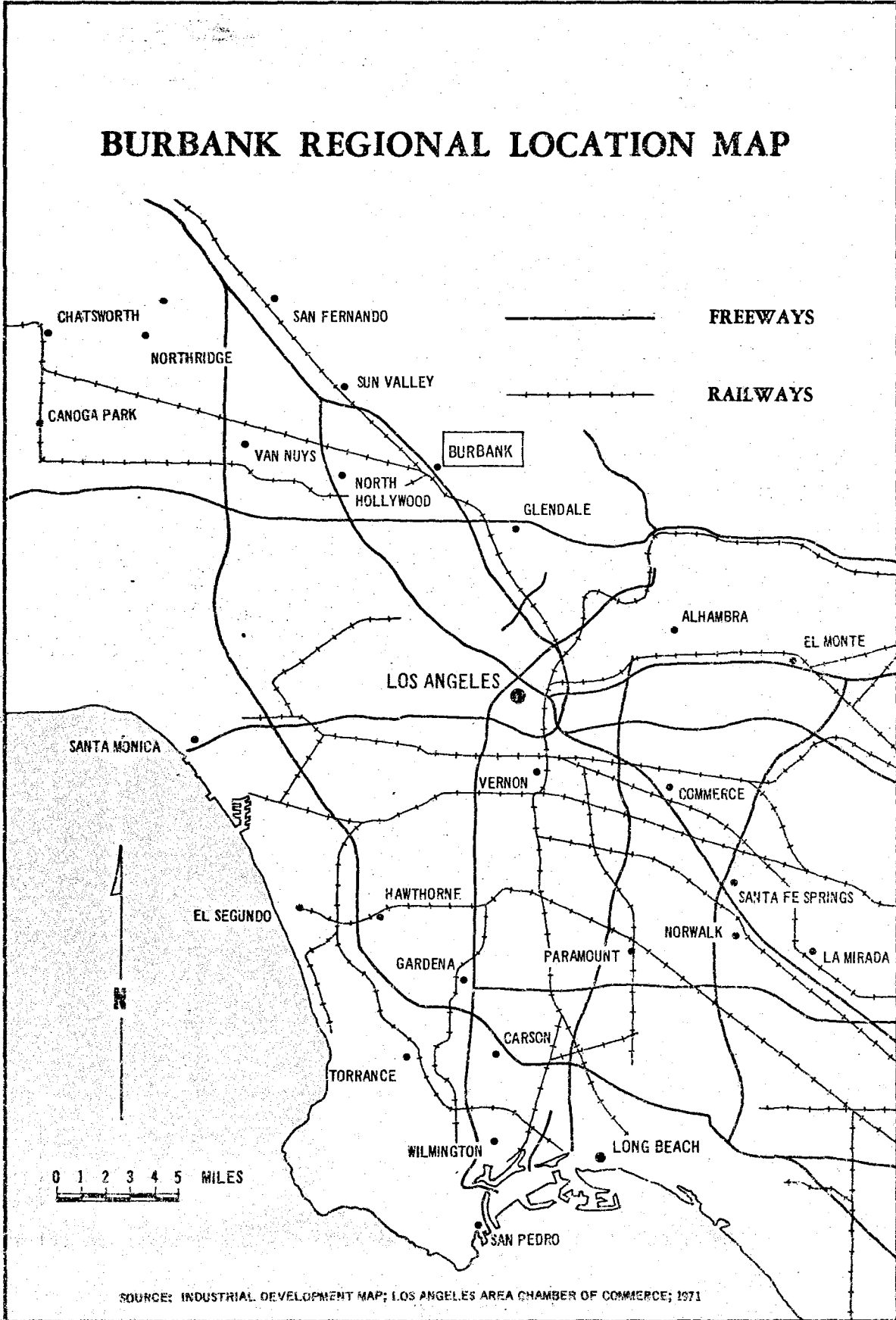
Situation. Burbank was created as a result of the great Southern California Land Boom of the 1880's when thousands of Americans came west during the railroad rate war between the Southern Pacific and Santa Fe railroads.¹

Burbank began its life as a city on July 8, 1911, when voters approved incorporation by an 81 to 51 majority.² Prior to incorporation, and setting a precedent for the future, the first factory was built in 1887. This structure housed the Burbank Furniture Company. Astride the main line of the Southern Pacific Railroad, Burbank attracted the Moreland Motor Truck Company in 1917. This date marked the beginning of the city's change from an agricultural to an industrial economy.

In 1928, Lockheed Aircraft Corp. began operation with 50 employees. Today, it is Burbank's largest single indus-

Figure 4--Burbank Regional Location Map

BURBANK REGIONAL LOCATION MAP



try with over 17,000 employees. In the succeeding years came such significant firms as the Andrew Jergens Company, Libby, McNeil and Libby Company, First National Pictures, Inc., (which later became Warner Bros., and is now known as the Burbank Studios), Walt Disney Studios, Western Biscuit Company, McKeon Canning Company, Pacific Airmotive Corp., Cinecolor Corp., General Water Heater Corporation, Weber Aircraft Company, Columbia Studios, and Aeroquip, Inc. Similar to most California communities, the city entered a period of prosperity during the years following World War I. As in other cities, the boom collapsed following the stock market crash in 1929 and the city again became dormant. Rumblings of another war in Europe brought orders for aircraft from many nations. This increased demand for military as well as commercial aircraft increased production at Lockheed and its allied industries--prosperity again returned to Burbank. Community growth began to mushroom with the start of hostilities in Europe. In the space of a few short months a sudden influx of war workers boosted the population from 34,000 to 72,000.

Surprisingly, the end of World War II did not mean another recurrence of hard times in Burbank. Unlike other booms in Burbank's history, wartime prosperity was followed by a period of postwar growth. The Lockheed Company survived cancellations of wartime contracts and cutbacks without large employee layoffs because it had prepared for peace time with the development of the popular Constella-

tion line of long-range airliners.

It was this period of largely unrestricted growth that led to the problems now facing Burbank. The growth of the industrial area was erratic and without any definite type of pattern (see Generalized Land Use Map, Figure 5). Instead of an even spread in a successive pattern, growth was sometimes rapid, sometimes slow, along railroad lines, along major radial thoroughfares, and finally into the area between, but often jumping beyond existing industrial development to form new nucleations. Over a period of time, residential and commercial colonies developed within the industrial areas. Those used are now more or less independent, yet in many ways clearly influenced by the adjacent industries, and are today representative of the types of uses that have resulted in the deterioration of portions of the city's primary industrial area.

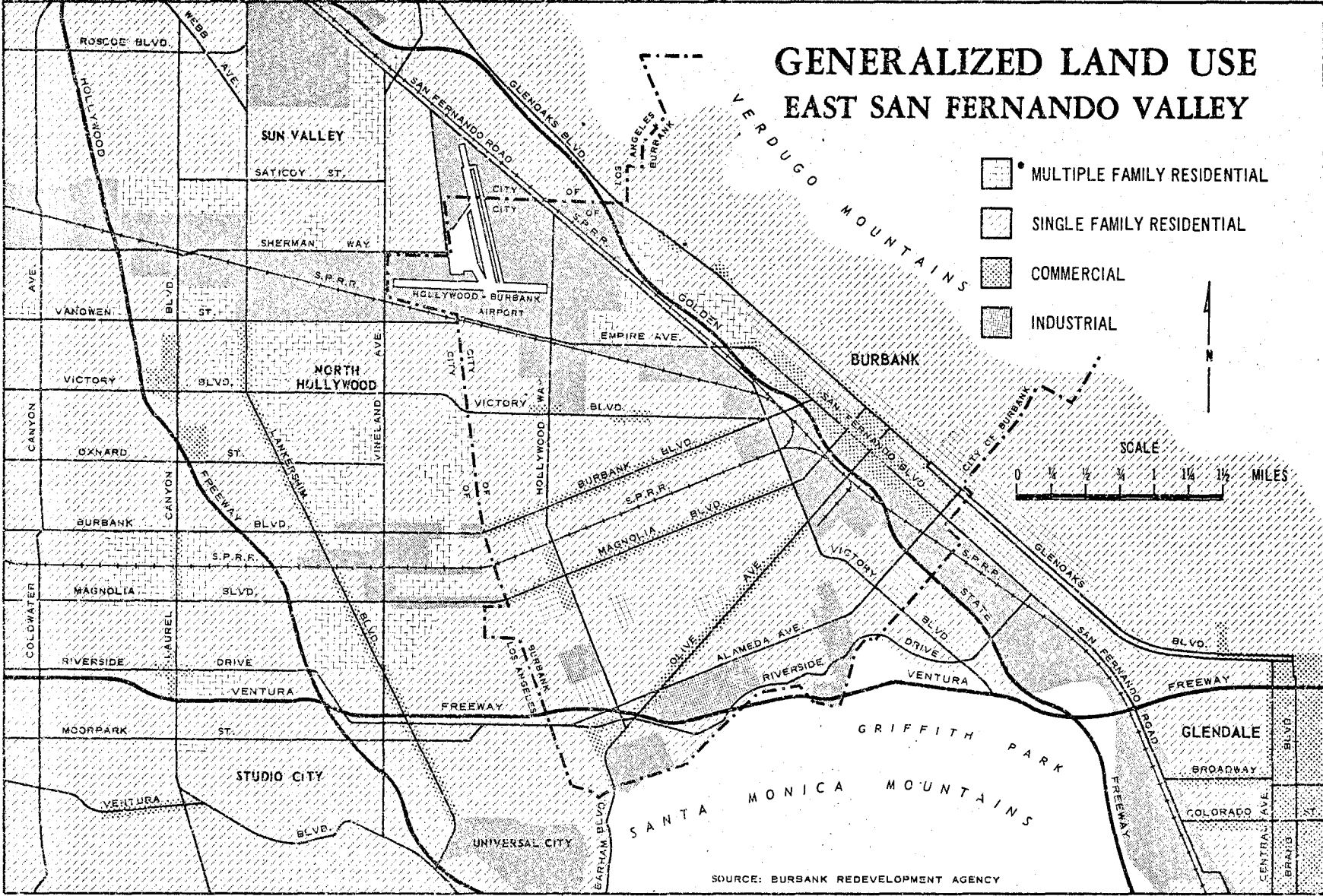
Throughout the years, various city ordinances have been enacted to maintain the viability of this area. This is not to say that the entire industrial sector of the community was in dire straits, but rather that subsequent City Councils recognized the importance of this area to the community and felt that direct action was necessary to maintain the viability of the city's industrial core.

Burbank Industry Today

Industry in Burbank has grown to where the community now boasts over 400 industrial firms covering almost 13% of the entire land area of the city; an amount nearly twice

Figure 5--Generalized Land Use Map of East
San Fernando Valley

GENERALIZED LAND USE EAST SAN FERNANDO VALLEY



that of cities in the 100,000 population range.³ As a result of this large industrial tax base, the city has progressed to the point where its citizens enjoy a high level of public services at substantially lower costs than surrounding communities.

Industrial growth in Burbank over the years can be attributed to several factors, among them: favorable location with respect to available land; proximity to metropolitan Los Angeles, as well as railroads, main highway arteries, and airports; available skilled and unskilled labor pool; favorable utility rates and lower than average taxes.⁴

It was this growth in the aerospace and motion picture industries that consumed almost all of Burbank's industrially zoned land. Consequently, this has left little or no land for current and future industrial growth and expansion. To compound the problem, no outlying land suitable for industrial use is available for annexation, while vast amounts of existing industrial acreage must be used for off-street parking. Individual ownerships of small parcels of land continually frustrate the attempts of local businesses to assemble significantly large sites necessary for their expansion.

In addition, many commercial structures, having outlived their usefulness, are showing considerable signs of deterioration. Such buildings have become obsolete as a result of years of many and varied types of occupancies. There also exists a myriad of small under-used parcels, and

many potentially valuable industrial sites are devoted to relatively unproductive uses such as salvage yards, trailer parks, a drive-in theatre, and other similar uses.

Maintaining Economic Viability. As a general rule, it can be said that through property and inventory taxes industry pays the biggest share of the cost of providing needed municipal services to an entire community, and it is therefore of paramount importance that the industrial community remain a viable economic entity.⁵ Consequently, the matter of renewal and rehabilitation in this area becomes of supreme importance. In the case of Burbank, prior to the formation of the Burbank Redevelopment Agency, the Burbank City Administration had become increasingly aware of mounting problems in the City's primary industrial area. An economic base analysis done by Development Research Associates (D.R.A.) of Los Angeles indicated several areas of concern to the City.⁶ Among the economic issues discussed were those relating to inadequate parking and limited potential for industrial expansion in and around Hollywood-Burbank Airport, an area which could be considered the City's main industrial center (see Figure 5). Too rapid industrial expansion and lack of available land were given as the reasons for these problems. It was also noted that at this time several local firms had approached the City seeking assistance in solving these land use problems.⁷ The report went on to state that a lack of parking space could create an industrial exodus from the City to the

outlying areas of Los Angeles County. The significance of this shortage of industrial land was given a more quantitative aspect in a 1972 report to the City which states:

"Bare land for development of new industry is almost non-existent in Burbank. In December, 1971, the Burbank Chamber of Commerce reported that only about 2 percent of the 1,276 acres zoned for industry in the City were still open and available."⁸

Although the economic base analysis depicted industrial land availability in severely negative terms, the prospect for the continued economic development of the city was by and large quite promising. The report indicated that development opportunities for Burbank would continue to be influenced by the following factors:

- a. A modest growth in population and housing through 1985.
- b. Slightly above average Family incomes.
- c. Large trade area population and employment support.
- d. A strong and growing Industrial Base.⁹

As a solution to the problems confronting Burbank's main industrial area, the D.R.A. report recommended that the City should initiate an "Industrial Park Study." This study was intended to determine the feasibility of a redevelopment project (or projects) which would permit further industrial expansion within the City of Burbank.

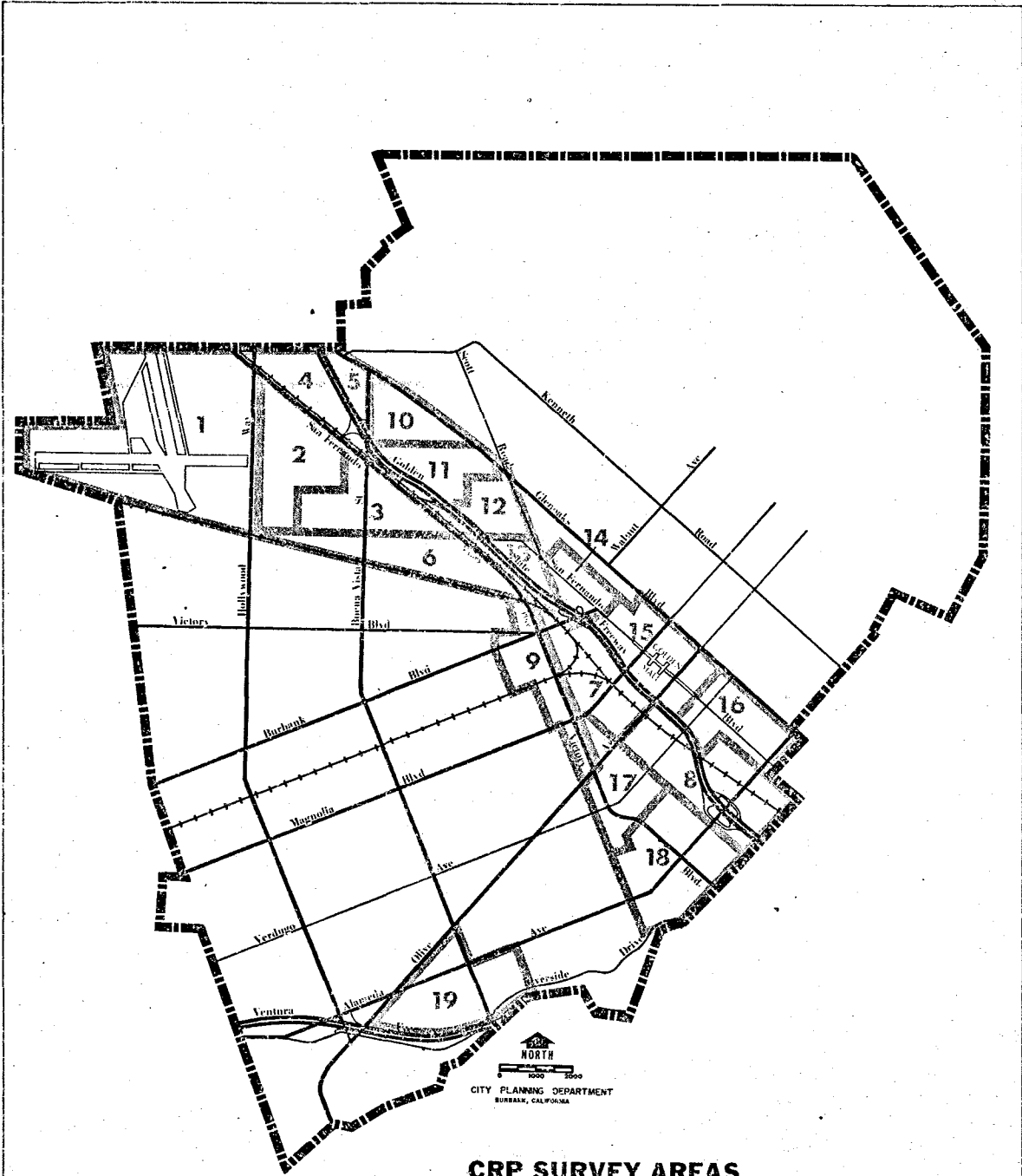
D.R.A. also recommended the establishment of a Community Development Agency, whose purpose would be to initiate specific redevelopment projects, as would be determined by future economic studies. Further recommendations were in the area of an airport planning study which would address

itself to the impact and potentials of increased airport activity. In this same vein, D.R.A. also recommended the City initiate a traffic circulation study. This study would be undertaken to obtain a recommended long-term solution to current traffic problems and to explore implementation of specific projects needed.¹⁰

Initial Planning Studies. As a consequence of the above recommendations, the City administration instructed the City Planning Department to initiate land use and feasibility studies for purposes of implementing the D.R.A. recommendations in the industrial area.

The Planning Department recognized that in order to carry out plans for an industrially oriented redevelopment project, a systematic approach to the total problem would have to be devised. It was further determined that such a program should be of a comprehensive nature and be based on the format established initially for the Federal Community Renewal Program.¹¹ The program resulted in the selection of nineteen study areas (see Figure 6), each of which were to be thoroughly analyzed to determine needs, goals, and specific objectives. On the basis of these criteria, an evaluation of each area was made in order to define the problems and to allocate priorities.¹² The study was designed to provide basic data on land use and other characteristics of the individual study areas. Data were taken from a variety of sources, including the City's land use map; Sanborn maps, county assessor's maps, and field

Figure 6--Community Renewal Plan Survey Areas



CITY PLANNING DEPARTMENT
BURBANK, CALIFORNIA

CRP SURVEY AREAS

- | | | | |
|----------------|------------|----------------|----------------|
| 1 AIRPORT | 6 EMPIRE | 11 PARISH | 16 PROVIDENCIA |
| 2 ONTARIO | 7 OLIVE | 12 GRISMER | 17 EL CENTRO |
| 3 THORNTON | 8 ALAMEDA | 13 BROADWAY | 18 MCKINLEY |
| 4 SAN FERNANDO | 9 CHANDLER | 14 McCAMBRIDGE | 19 STUDIO |
| 5 FREDERIC | 10 LINCOLN | 15 GOLDEN MALL | |

investigations.

A rudimentary structural quality survey was also conducted as part of the program, with all structures being rated according to the following criteria:

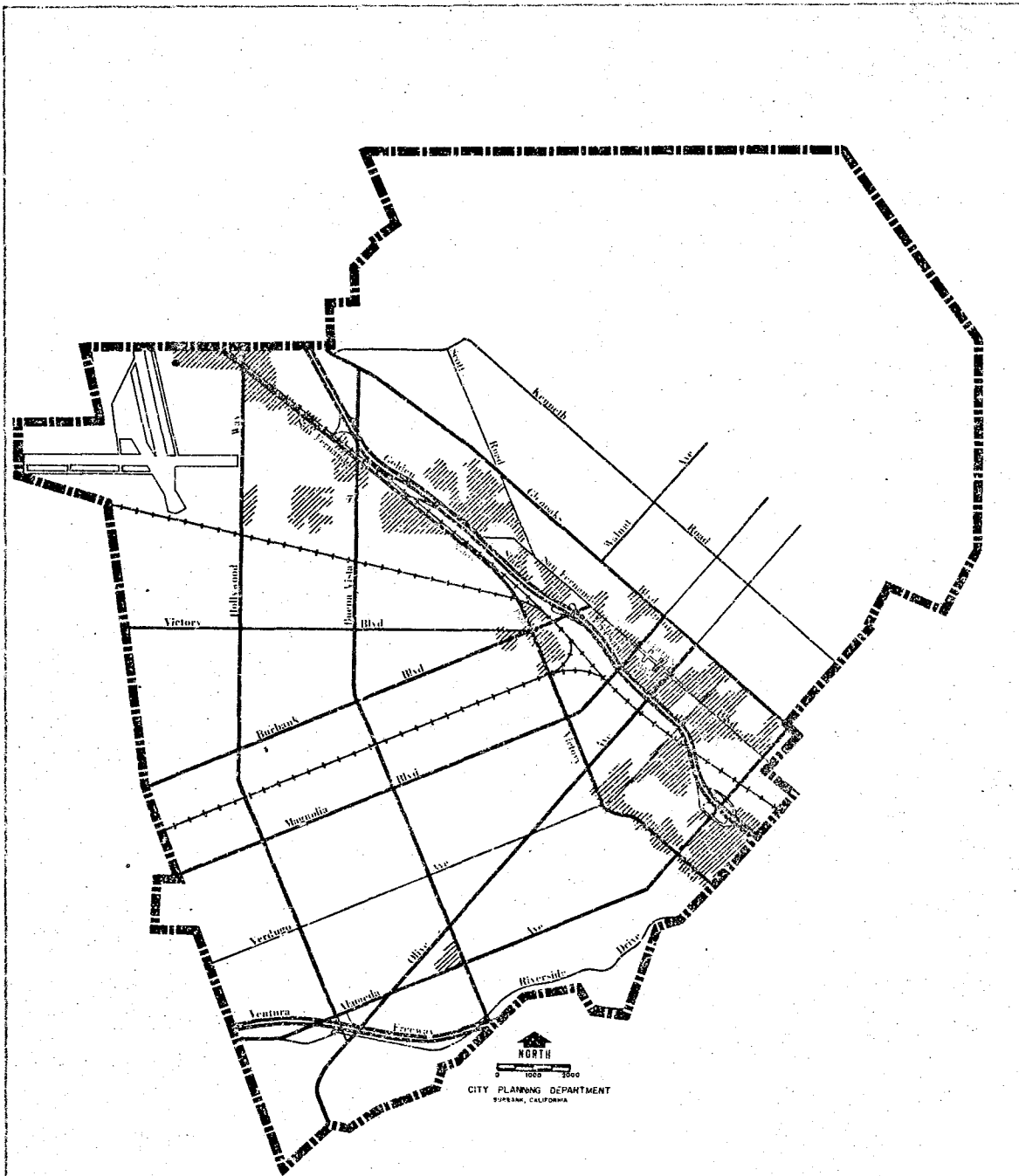
1. Standard--Basically a sound structure which needs no renewal treatment.
2. Deficient--A structure which is basically sound but that has some minor structural faults which need correction.
3. Substandard--A structure which is basically deteriorated and that has one or more major structural faults. These structures are beyond the feasibility of repair.

All structures were categorized into the above three classifications according to the number and severity of defects. These defects were classified either major or minor depending on the type of structural problem area (see Appendix 2 for a complete description of such structural elements).¹³

The overall result of the Planning Department's survey was to point out those areas of the community which experience specific problems (see Figure 7, Blighted Areas Map). The nature of the problems were discussed, and in many cases possible solutions proposed. A summary of the report as it relates to what ultimately became the Golden State Redevelopment Project is as follows:

1. Airport Survey Area. The predominant land use within

Figure 7--Blighted Areas Map



BLIGHTED AREAS



AREAS WHERE CONDITIONS INDICATE THE EXISTENCE OF BLIGHT

the survey area was found to be the Hollywood-Burbank Airport. In addition to the physical airport site, additional land within the survey area was under the control of, and was being used by the Lockheed Companies. The area represents a large industrial complex which is well served by rail, air, and freeway transportation modes.

Except for a very few isolated cases, the structural condition survey showed the structures within the survey area to be in excellent condition: 75 percent were rated standard, 1 percent deficient, and 24 percent substandard. It was thought that some of these few parcels might be spreading a blighting influence on the balance of properties in the Airport Survey Area. One of these blighted sections was located in the extreme northeast of the survey area. There the questionable uses consisted of several motel and house trailer units, an aircraft parts manufacturer and a processing company.

The Airport Survey Area occupied 492.60 acres which were accounted for by the following uses:

Single Family Residential	0.17 Ac.
Office Professional	5.05 Ac.
Trailer Park	0.91 Ac.
Retail	1.75 Ac.
Auto Transportation	1.09 Ac.
Non-Manufacturing/Processing/Storage	42.44 Ac.
Manufacturing	62.84 Ac.
Parking	39.81 Ac.

Motel	2.75 Ac.
Airport Facilities	290.99 Ac.
Agriculture	2.53 Ac.
Railroad	14.92 Ac.
Streets and Public Rights of Way	26.32 Ac.
Vacant	1.03 Ac.
<hr/>	
Total	492.60 Ac.

2. Ontario Survey Area. This was an area considered representative of industrial encroachment into a residential area. A residual residential enclave was located on Avon Street between Empire Avenue and Thornton Street. This enclave was composed of mixed single and multiple family dwellings which, for the most part, had been built prior to 1940. Most of the buildings in the enclave were either structurally deficient or substandard. It was stated that these residential properties had decreased considerably in value because of their proximity to industrial uses. The enclave as it existed, detracted from urban living because of the heavy vehicle traffic which passed through it on Avon Street. In addition, the area was subject to other nuisances generated by the nearby industries and the airport. It was the intent of the 1964 General Plan that, as industrial demand called for additional land, this residential area would be selected for conversion to industrial use.¹⁴

The structural condition survey indicated that out of

the 383 buildings in the Survey Area, 59% of them were in standard condition, with 20% deficient, and 21% substandard. The Survey Area covered a total of 152.01 acres, with land uses found to be distributed as follows:

Single Family Residential	3.73 Ac.
Multiple Family Residential	2.17 Ac.
Trailer Park	6.52 Ac.
Office Professional Services	2.12 Ac.
Commercial Recreation	1.46 Ac.
Auto Transportation	20.84 Ac.
Non-Manufacturing/Processing/Storage	1.68 Ac.
Manufacturing	12.38 Ac.
Research	38.62 Ac.
Parking	1.10 Ac.
Schools	5.85 Ac.
Utilities	4.32 Ac.
Motel	0.02 Ac.
Railroad	2.16 Ac.
Streets and Public Rights of Way	4.33 Ac.
Vacant	32.78 Ac.
<hr/>	
Total	11.93 Ac.
	152.01 Ac.

3. Thornton Survey Area. This area was also thought to be typical of those residential areas of a City which had suffered the ill effects of close proximity to industry. The area contained an inharmonious mixture of resi-

dential and heavy industrial uses. It was stated that this relationship had resulted in decreased values of both the residential and industrial properties.

The structural condition survey indicated that 51 percent of the structures were standard, 33 percent deficient, and 16 percent substandard.

The Survey Area was deemed suitable for only one particular use, i.e., industrial. It was thought the area would continue to deteriorate unless immediate plans were formulated to clear and assemble the land to prepare it for a consolidated program of utilization.

The General Plan also designated this area for general manufacturing. The Plan again indicated that when industrial development needs in Burbank required additional land, the entire area occupied by residential uses should be developed for industrial use as a single unit.¹⁵

The Thornton Survey Area had 140.98 acres, which were separated into the following land use categories:

Single Family Residential	45.75 Ac.
Multiple Family Residential	24.99 Ac.
Office Professional	2.06 Ac.
Services	0.85 Ac.
Retail	0.12 Ac.
Auto Transportation	1.50 Ac.
Wholesale/Warehouse	1.20 Ac.
Non-Manufacturing/Processing/Storage	4.62 Ac.
Manufacturing	7.64 Ac.

Parking	11.48 Ac.
Utilities	0.34 Ac.
Motel	1.04 Ac.
Railroad	3.62 Ac.
Streets and Public Rights of Way	33.30 Ac.
Vacant	2.47 Ac.
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Total	140.98 Ac.

4. San Fernando Survey Area. The Area was found to have experienced three varied cycles of manufacturing, non-manufacturing and residential (single-family and trailer park) use. Here definite pressure on off-street parking had developed, even though there were 2.44 acres devoted to such parking. The field survey discovered that automobiles were being parked in the railroad right-of-way, as well as under the freeway overpass on Winona Street.

Most of the dwelling units were found to be twenty-five to thirty years old. New buildings were being erected for strictly industrial usage. The structural condition survey disclosed that 127 buildings (65%) were in a standard condition, 42 structures (22%) were deficient and 25 buildings (13%) were substandard. A small residential enclave that existed on the northwest portion of the Project contained many substandard housing units and a trailer court that was said to be substandard at best. This residential enclave was intermixed with commercial and industrial uses which has definitely a blighting influence on the

area.

While the San Fernando Area had a relatively low land vacancy rate, the area retained elements which could promote its stability and value, once the substandard and deficient buildings were removed. The area covered a total of 81.65 acres composed of the following uses:

Single Family Residential	3.44 Ac.
Trailer Park	1.52 Ac.
Service	3.44 Ac.
Retail	3.20 Ac.
Non-Manufacturing/Processing/Storage	4.81 Ac.
Manufacturing	32.92 Ac.
Motel	2.56 Ac.
Parking	2.44 Ac.
Railroad	5.37 Ac.
Streets and Public Rights of Way	19.11 Ac.
Vacant	2.86 Ac.
<hr/>	
Total	81.67 Ac.

5. Frederic Survey Area. This was another area which had experienced a varied growth pattern within its limited boundaries and was found to contain numerous types of land uses. The survey area had long been utilized as a residential area. Despite a relatively new intermixture of commercial and industrial uses, the homes had been relatively well maintained.

The structural Condition Survey showed that 85.6 per-

cent of the structures were standard, 12.2 percent deficient and 1.1 percent substandard.

Several apartment houses with completely inadequate parking facilities were situated in the southern portion of the Frederic Project. Consequently, many automobiles were noted as being parked on a busy thoroughfare thereby creating a congestion problem.

The entire survey area covered 43.52 acres which was composed of the following uses:

Single Family Residential	6.76 Ac.
Two Family Residential	0.22 Ac.
Three-Four Family Residential	3.95 Ac.
Office Professional	0.58 Ac.
Retail	2.46 Ac.
Auto Transportation	1.50 Ac.
Wholesale/Warehouse	0.11 Ac.
Non-Manufacturing/Processing/Storage	0.22 Ac.
Manufacturing	5.06 Ac.
Flood Control	4.02 Ac.
Streets and Public Rights of Way	16.48 Ac.
Vacant	2.16 Ac.
<hr/>	
Total	43.52 Ac.

6. Empire Survey Area. The Empire Survey Area was bounded by Empire Avenue on the north, the Southern Pacific Railroad's coast line on the south. These boundaries formed a suitable environment for industry since it was

adjacent to vital transportation linkages and was separated physically from nearby residential areas. Lockheed California Company, the major user of land in this area, had made good utilization of the site. The Survey Area was found to be quite well placed with respect to transportation. Both the railroad and the freeway were close at hand. Upon completing the Structural Survey, it was noted that the majority of the buildings were standard (91 percent), 7 percent were deficient, and 2 percent were found to be substandard.

The Survey Area covered 146.19 acres, which was composed of:

Research and Development	0.91 Ac.
Retail	0.68 Ac.
Office Professional	3.05 Ac.
Non-Manufacturing/Processing/Storage	43.56 Ac.
Wholesale/Warehouse	1.83 Ac.
Manufacturing	41.55 Ac.
Military	0.45 Ac.
Park	4.59 Ac.
Parking	24.80 Ac.
Streets and Public Rights of Way	23.40 Ac.
Vacant	1.37 Ac.
<hr/>	
Total	146.19 Ac.

7. Olive Survey Area. This area of prime industrial land located adjacent to the City's central business dis-

trict and along the major intra-city and regional transportation routes was characterized by a diverse mixture of land uses.

The Structural Survey indicated that 50.5 percent of the structures were standard, 19.7 percent deficient, and 29.8 percent substandard.

The olive Survey Area covered 183.01 acres, which were comprised of the following uses:

Single Family Residential	4.90 Ac.
Two Family Residential	1.76 Ac.
Three-Four Family Residential	0.86 Ac.
Five or more Family Residential	0.43 Ac.
Office Professional	1.19 Ac.
Services	0.46 Ac.
Retail	1.74 Ac.
Auto Transportation	3.97 Ac.
Wholesale/Warehouse	10.27 Ac.
Non-Manufacturing/Processing/Storage	47.27 Ac.
Manufacturing	32.90 Ac.
Utilities	8.52 Ac.
Parking	13.18 Ac.
Flood Control Channel	11.41 Ac.
Railroad	13.34 Ac.
Streets and Roads	26.19 Ac.
Vacant	5.61 Ac.
<hr/>	
Total	184.01 Ac.

8. Alameda Survey Area. This area was characterized by a diverse mixture of land uses, including industrial facilities that existed along the northeast side of the freeway, and a sizeable residential area located to the south of the freeway. There appeared to be a high incidence of blight associated with this residential area.

The Alameda Survey Area covered 151.22 acres of land, which was composed of the following uses:

Single Family Residential	9.59 Ac.
Two Family Residential	4.43 Ac.
Three-Four Family Residential	3.85 Ac.
Five or more Family Residential	3.93 Ac.
Trailer Park	1.46 Ac.
Office Professional	2.94 Ac.
Retail	0.77 Ac.
Service	0.21 Ac.
Auto Transportation	5.76 Ac.
Wholesale/Warehouse	1.27 Ac.
Non-Manufacturing/Processing/Storage	19.56 Ac.
Manufacturing	30.85 Ac.
Parking	26.25 Ac.
Railroad	11.62 Ac.
Streets and Public Rights of Way	26.52 Ac.
Vacant	2.21 Ac.
<hr/>	
Total	151.22 Ac.

9. Chandler Survey Area. This area was composed

mainly of industrial uses. It was in this area that the transition from residential to industrial use was most apparent. Light industry had begun to make inroads into what had previously been a mixed commercial and residential neighborhood.

The structural Survey indicated that 60.7 percent of the buildings were standard, 33.7 percent deficient, and 5.6 percent substandard.

The Chandler Survey Area covered 93.16 Acres which can be broken down as follows:

Single Family Residential	6.73 Ac.
Two Family Residential	1.58 Ac.
Three-Four Family Residential	1.77 Ac.
Five or more Family Residential	2.59 Ac.
Trailer Park	4.30 Ac.
Office Professional Services	0.52 Ac.
Retail	2.07 Ac.
Auto Transportation	8.76 Ac.
Wholesale/Warehouse	7.85 Ac.
Non-Manufacturing/Processing/Storage	4.89 Ac.
Manufacturing	1.24 Ac.
Parking	13.67 Ac.
Railroad	2.36 Ac.
Streets and Public Rights of Way	1.56 Ac.
Vacant	32.38 Ac.
<hr/>	<hr/>
Total	0.89 Ac.
	93.16 Ac.

The ten remaining areas that comprised the bulk of the Community Renewal Program Survey consisted largely of commercial and residential areas, and as such do not warrant further discussion for the purposes of this paper. However, it should be noted, and reference is again made to Figure 7, that these areas too, evidenced a high incidence of apparent blight.¹⁶

The City administration realized that the delineation of these "blighted areas" was not an end in itself. The next step was to propose a workable program for the elimination of such blight and establish priorities for its eradication. The nineteen survey areas were evaluated in terms of degree of blight, potential cost, potential relocation workload, and resale or reuse demand. The survey areas were then separated into five groups dependent on the above criteria, and Redevelopment Programming suggested for phasing as follows:

Phase I 1970-1974

Thornton
Ontario
Airport
San Fernando

Phase II 1975-1978

Alameda
McKinley
El Centro
Chandler
Olive

Phase III 1979-1980

Providencia
Golden Mall

Phase IV . 1981-1982

Grismer
 McCambridge
 Broadway

Phase V 1983-1985

Parish
 Frederic
 Studio
 Lincoln
 Empire

On January 27, 1970, as a result of the work done by the City Planning Department in the preparation of the CRP document, the Burbank City Council instructed the City Manager and the City Attorney to prepare a report outlining the methods to be followed, responsibilities and functions, together with recommendations, concerning the establishment of the Council as the City's Redevelopment Agency and Parking Authority.¹⁷

In March 1970, Mr. Joseph N. Baker, Burbank's City Manager, reported on the need for a community redevelopment agency to handle initially the problems associated with the City's industrial areas.¹⁸ A significant portion of this report is reproduced in Appendix 3, since it is representative of the attitude of the City Administration concerning the need for solving the City's industrial problems.

In May, 1970, the Burbank City Council passed legislation declaring the need for a Redevelopment Agency to function in the City, and declaring themselves to be such an agency.¹⁹ Shortly thereafter, the City Planning Board was instructed to study the matter of the need for an indust-

rial redevelopment project and to select a redevelopment survey area.

The selection of the industrial redevelopment survey area was based upon the CRP study done by the Planning Department. Selection criteria included: (1) evidence of blight, (2) physical cohesiveness, and (3) economic linkages.²⁰ The area selected for initial renewal efforts included the Airport, San Fernando, Ontario, Thornton, and Empire Survey Areas of the CRP study, along with a portion of the Frederic Survey Area and an unsurveyed parcel in the vicinity of Victory Place and Burbank Boulevard. With the exception of the Empire Survey Area, which was slated for Phase V renewal, the selected survey areas represented those recommended for immediate renewal action in the CRP report. This initial redevelopment survey area was to become the Golden State Redevelopment Project. It should also be noted that as of this writing no additional survey areas, other than the Golden Mall area, have been slated for actual renewal actions, although consideration is being given to forming a project in the Studio Survey Area.

In November, 1970, the Council and Redevelopment Agency of the City of Burbank, in a joint meeting, approved the "Redevelopment Plan" for the Golden State Redevelopment Project, thus establishing the area as the City's first urban renewal project.²¹

FOOTNOTES FOR CHAPTER III

1. City of Burbank, Planning Dept., "Burbank's 50 Golden Years, 1911-1961," Part 1 (Burbank, 1961).
2. Ibid., Part 2.
3. This figure becomes even more significant when one considers that approximately 20% of the city's 17 square mile area exists in an undeveloped mountainous state.
4. The City owns and manages its own electrical and water distribution system; and Burbank's current total tax rate of \$11.77 compares favorably with that of \$13.15 and higher in neighboring Los Angeles.
5. For example, in Burbank the assessed valuations in the industrial area account for a significant proportion of the City's total tax base.
6. Development Research Associates, "Phase I Economic Base Analysis of the City of Burbank" (Los Angeles: Development Research Associates, 1969).
7. Ibid., p. 3.
8. VTN Corporation, "Industrial Land Market Analysis: Golden State Redevelopment Project, Burbank, California" (Los Angeles: VTN Corporation, 1972) pp. 4-5.
9. Development Research Associates, op. cit., pp. 2-3.
10. Ibid., p. 4.
11. It is not known whether or not the Planning Department had initially intended to ask for Federal funding for the project, but, in any case, the CRP was never published and no formal grant application was ever filed.
12. City of Burbank, Planning Department, unpublished "Community Renewal Program Study" (1969), p. 5.
13. It should be pointed out that the nature of the survey, being concerned only with exterior elements of structural conditions, could only indicate that which gave the "appearance" of blight. Such a survey is known as a "windshield survey" in planning jargon, since it is usually carried out from a moving automobile.
14. City of Burbank, General Plan (Burbank: City Planning Dept., 1964) p. 22.

15. Ibid., p. 22.
16. This was especially true in the Golden Mall Survey Area which encompassed the City's central business district. As a result of the survey, a separate redevelopment project was formed in 1971 to deal with problems in this area.
17. Letter from the Office of the Burbank City Attorney, concerning "Report and recommendations concerning establishment of the City Council as the City's Redevelopment Agency and Parking Authority," March 5, 1970.
18. Letter from Joseph N. Baker, City Manager, concerning "Redevelopment Agency and Parking Authority," March 16, 1970.
19. Ordinance of the Council of the City of Burbank, Ord. No. 2223, "Declaring the need for a Redevelopment Agency to function in the City of Burbank," May 12, 1970; and Resolution of the Council of the City of Burbank, Res. No. 15,505, "Declaring itself to be the Redevelopment Agency," May 12, 1970.
20. City of Burbank, Planning Department, "Preliminary Project Area Report" (June 1970) p. 8.
21. Resolution of the Redevelopment Agency of the City of Burbank, Res. No. R-12, "Resolution consenting to holding joint public hearing with Council on proposed Redevelopment Plan for the Golden State Redevelopment Project..." November 3, 1970.

CHAPTER IV
THE GOLDEN STATE REDEVELOPMENT PROJECT AND
THE REDEVELOPMENT PROCESS

Project Boundaries and Accessibility

The boundaries of the Golden State Project are somewhat irregular, but essentially conform to the Golden State Freeway on the northeast, the City limits to the north and west, and Empire Avenue to the south (see Figure 8). The Project area encompasses a total of 1,113 acres and in terms of local, regional, and national accessibility, the project area is ideally situated. The Golden State Freeway, part of the Federal Interstate Highway System, and a major north-south artery through the San Fernando Valley provides highway access for both local and regionally oriented enterprises. The Los Angeles Civic Center is only 15 freeway minutes from the project area, and all locations within the project are within less than a mile of freeway access points.

The project area is served by three major thoroughfares two of which run in a north-south direction. Hollywood Way runs through the approximate geographic center of the project, handling much of the airport and Lockheed traffic. Directly to the east, Buena Vista Street, another heavily travelled thoroughfare also handles a great deal of the traffic generated by Lockheed and the ancillary industries in the project area. Both streets offer access to and from the Golden State Freeway to the north. San

Figure 8--Golden State Redevelopment Project
Regional Location Map

Fernando Boulevard, another major street, cuts through the northeast corner of the Project and handles the intra-area traffic for which the Golden State Freeway is less convenient because of the short travel distances involved. Thornton Street, a secondary street, handles some airport traffic. It connects the airport with Lincoln Street and eventually the Golden State Freeway.

All three major thoroughfares (Hollywood Way, Buena Vista Street and San Fernando Boulevard) cross the Southern Pacific Railroad tracks. The closure of these streets for train crossings interrupts industrial user ingress and egress and creates congestion. At present, there is only one railroad grade separation in the project area.

The Hollywood-Burbank Airport provides a major air transport link to the Western United States, and is a significant carrier of both passengers and cargo to and from the Burbank area. Four regularly scheduled passenger airlines and one cargo line operate out of the airport complex. In 1974, the airport handled over 1.7 million passengers and is considered to be one of the nation's largest and busiest privately owned commercial airports.¹

Additional access to regional and national suppliers and markets is provided by both the Coast and Valley Lines of the Southern Pacific Railroad, which run through the project area. The Burbank junction of the Southern Pacific Railroad is a significant transfer point on the Southern Pacific's main line and is immediately adjacent to the

project area.

Problems

In its report to the City Council, the Redevelopment Agency staff reiterated the problems to be found in the area. Such problems are again as follows:²

"A. The need by (sic) existing industries for more land upon which to expand their operations."

"B. Difficulty of aggregating enough land into single sites to accommodate potential developers desiring to build large industrial buildings."

"C. Inadequate parking for existing industrial development and future development which affects the traffic circulation system."

"D. There are many small and irregularly shaped parcels created by the street system and the railway lines which are inadequate for present industrial development."

"E. Mixtures of residential use in the industrial area are not suitable for a safe and healthful residential environment and interfere with coordinated development of the industrial area."

"F. Structural deterioration in many commercial and residential structures."

"G. The possible need for additional airport facilities."

"H. Inadequate means of disposing of industrial wastes."

Land Use. Economically, the project area is directly linked to the aerospace industry. With the exception of the Hollywood-Burbank Airport, the entire area is, for the most part, characterized by the presence of aircraft and related manufacturing facilities (refer to the land use map in pocket).

Lockheed Aircraft Corporation is the major land occupant within the project area. The Lockheed Corporation is

currently the leading contractor of the United States Department of Defense. Presently, three major aircraft projects are under way at Lockheed Corporation facilities located within the project area. Directly associated with the Lockheed Corporation are a multitude of ancillary industries. These enterprises are the subcontractors and suppliers which are essential for the completion of the basic aircraft. These ancillary industries appear to have grown in direct proportion to the rate of acceleration of the Lockheed Aircraft Corporation's aircraft output.

Several small non-aircraft industrial uses of various types are also located within the project. These companies are quite varied in function; providing research and development facilities, wholesale and warehousing storage facilities, automobile junkyards, metal scrap yards, and other such similar uses.

Numerous commercial enterprises are scattered throughout the project area. Generally, these are service businesses and facilities directly related to the industrial enterprises. Included within these facilities are such commercial uses as: automobile repair garages, cafes, bars, check cashing facilities, automobile service stations, and automotive repair facilities.

Initially, the project area contained approximately 95 acres of residential land uses.³ However, with the subsequent removal of a large portion of the Thornton Survey Area, this figure was reduced to approximately 23 acres.⁴

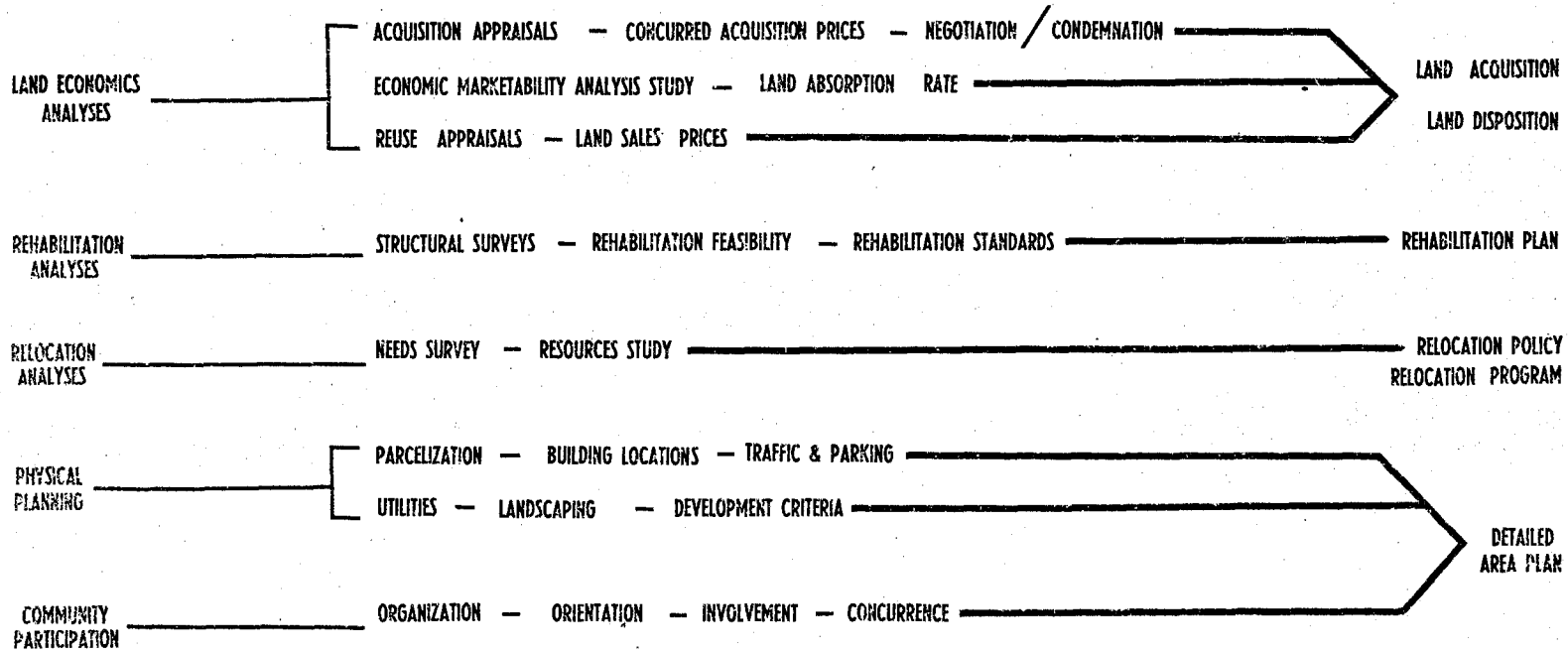
Single family residential units account for 67% of the remaining residential uses. Multiple family residential units currently account for 28% of the residential total, and the balance of 5% is occupied by trailer park or hotel/motel facilities.

A myriad of diverse and often conflicting land uses in the Golden State Redevelopment Project have resulted in the problems now confronting the City of Burbank in its industrial areas. A discussion of the procedures and methodology employed by the Burbank Redevelopment Agency in its efforts to alleviate these problems is now warranted. Basically, there are five areas of consideration involved in the redevelopment process as it is being implemented in Burbank (see Figure 9). These considerations include the following

1. Land Economics. This topic is concerned with the acquisition and disposition of land, and includes such activities as appraisals for the acquisition of such property, negotiations with property owners, or condemnation proceedings if such negotiations break down. An economic marketability study is generally required, so that the Redevelopment Agency will be able to anticipate the demand for building sites (or what is termed the "land absorption rate") in order that they might plan their acquisition policies accordingly. Reuse appraisals are called for to determine the value of newly created sites prior to their disposition, or resale, for redevelopment purposes. Often the re-use appraisal will vary greatly from the acquisition

Figure 9--Key Elements of the Golden State
Redevelopment Project.

KEY ELEMENTS OF THE GOLDEN STATE REDEVELOPMENT PROJECT



Source: Burbank Redevelopment Agency

appraisal, due to a number of factors. Such factors would include the size of the re-use parcel as opposed to its original size. Simply stated, it is a well known principle of land economics that a single large parcel is valued less per unit value than are smaller parcels. Therefore, if several small parcels were bought at premium prices and assembled into one single large reuse parcel, its total value would be less than the total of the values of the smaller parcels. Also, the nature and intensity of the proposed use would have an effect on the selling price of the reuse parcel.

2. Rehabilitation. The rehabilitation activity is concerned with the structural and aesthetic conditions of existing buildings within the project area. Although an initial structural survey is required in the pre-project planning stage, such surveys are generally quite rudimentary and inadequate as far as being used for purposes of being a determinant of true structural conditions. This is especially true if an agency expects to file any condemnation action against a structure judged to be sub-standard. Therefore, a more objective approach to the matter of structural conditions is needed. The Burbank Redevelopment Agency uses a standard field investigation form which assigns a quantitative factor to the structure based on a weighted average of the conditions found both inside and outside the structure. Generally, such surveys are carried out by a Senior City Building Inspector and a City Fire

Captain from the Fire Prevention Bureau. By using such a form and trained individuals, the Agency has eliminated any question of arbitrariness that might cloud a condemnation action based solely on a "windshield" type survey. Once the structural conditions in an area have been determined and mapped, the planner can then determine what courses of action to follow in establishing guidelines for the selection of certain parcels for acquisition and demolition, or in some cases, rehabilitation.

3. Relocation. The California state requirement for the relocation of persons or businesses that might have been removed or otherwise dislocated by public action became law in July, 1972, and for this reason requires some detailed explanation. Known as the Brathwaite Act (Sections 7260 to 7294, inclusive) it provides that a public agency shall:

"(a) Provide relocation advisory assistance to any person, business, or farm operation displaced because of the acquisition of real property by that public entity for public use."

"(b) In giving such assistance, the public entity may establish local relocation advisory assistance offices to assist in obtaining replacement facilities for persons, businesses, and farm operations which find that it is necessary to relocate because of the acquisition of their real property by the public entity."

"(c) Such advisory assistance includes:

(1) Determining the need, if any, of displaced persons for relocation assistance.

(2) Providing current and continuing information on the availability, prices, and rentals of comparable decent, safe, and sanitary housing for displaced persons, and of comparable commercial properties and

locations for displaced businesses.

(3) Assuring that, within a reasonable period of time, prior to displacement, to the extent that it can be reasonably accomplished, there will be available in areas not generally less desirable in regard to public utilities and public and commercial facilities, and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings, equal in number to the number of, and available to, such displaced persons who require such dwellings and reasonably accessible to their places of employment, except that, in the case of a federally funded project, a waiver may be obtained from the federal government.

(4) Assisting a displaced person displaced from his business or farm operation in obtaining and becoming established in a suitable replacement location.

(5) Supplying information concerning federal and state housing programs, disaster loan programs, and other federal or state programs offering assistance to displaced persons.

(6) Providing other advisory services to displaced persons in order to minimize hardships to such persons.

"(d) The public entity must also coordinate its relocation assistance program with the project work necessitating the displacement and with other planned or proposed activities of other public entities in the community or nearby areas which may affect the implementation of its relocation assistance program."

In addition to the above relocation advisory assistance the public agency must establish guidelines for a workable relocation program or plan, and pay certain costs relating to such relocation dependent on whether the displacee is an individual or a business, an owner occupant or a tenant.

In the case of a displaced dwelling owner, an agency

may be required to pay a supplementary housing allowance of up to \$15,000 for a comparable dwelling unit that is of a decent, safe, and sanitary nature. The purpose of this supplementary payment is to offset the economic impact on a low or moderate income family that has been removed from a low value residence and moved into another of higher value. Such a supplement allows the displacee to inhabit a standard dwelling with essentially the same costs as he was confronted with in the substandard unit. Similar benefits are also extended to renters.⁶

As part of the relocation process, the needs of prospective displacees are determined and compared with the housing resources of the community. Such input then becomes a vital part of the Agency's Relocation Program.

4. Physical planning. The role of physical planning in the redevelopment process is initially one of an inventory of the internal characteristics of a site. The number, size and location of ownership parcels must be catalogued and mapped. The nature and types of land uses within the project must be compiled and mapped. Building locations must also be plotted. Analyses of parking and traffic circulation must be accomplished, along with an inventory of existing public and private utilities and utility installations.

When such information is ultimately developed and analyzed, the planner can then make logical assumptions concerning the direction which the redevelopment effort should

be oriented. Once this direction has been established, the role of physical planning turns to an analysis of reuse alternatives and ultimately to an implementation program to accomplish the goals and objectives of the project. Such an implementation program would include reparcelization, landscape, and public improvements plans.

5. Community participation. The concurrence of the community at large is of vital importance to the ultimate success of any redevelopment project. Early in the project it is important to establish credibility with the local citizenry. Unfortunately, the term urban renewal has earned a connotation that makes the establishment of such credibility difficult at best. However, through orientation programs and by giving the community a sense of involvement it is possible to gain considerable support. Such support can be brought about through citizens advisory boards, newsletters, speaking engagements, and press releases.

The Burbank Redevelopment Agency has used the above methods with considerable success. Unfortunately, there are those individuals within any community who, through personal philosophy or thought of personal gain, emerge as self-styled champions of the people and begin to tilt at the metaphorical windmills of the redevelopment effort. No matter how much effort is expended to allay their suspicions or disprove their allegations, they persist in their approach which views urban renewal as basically evil, or un-American. Most individuals involved professionally in

the redevelopment process soon learn to live with such inconveniences as these. Nonetheless, with the support of the general community the work begins to progress.

These five areas of consideration comprise the key elements of Burbank's redevelopment process, and it is through their application to a given redevelopment area that a reasonable degree of success can be expected.

Application of Redevelopment Processes

The manner of applying some of these planning elements to a particular area within the Golden State Redevelopment Project should be examined. The area under discussion has been designated Planning Area II by the Burbank Redevelopment Agency, and is one of eight separate planning and administrative areas within the Golden State Redevelopment Project (see Figure 10). This area represents the remnant of the original Thornton Survey Area, as initially established for the Community Renewal Program, after the residential sector west of Lincoln Street was removed from the project.

Planning Area II. This area is a triangular site of 32.5 acres and is bounded by Empire Avenue, Victory Place, and Lincoln street. The site is adjoined by the Lockheed B-1 plant to the south and the Valley Line of the Southern Pacific Railroad and the Golden State Freeway to the north. Freeway access is afforded by the Burbank Boulevard and Buena Vista Street off-ramps (see Figure 11). There are a number of significant businesses in Area II, including

Figure 10--Administrative Sub-Areas of Golden
State Redevelopment Project

GOLDEN STATE REDEVELOPMENT PROJECT
BURBANK REDEVELOPMENT AGENCY

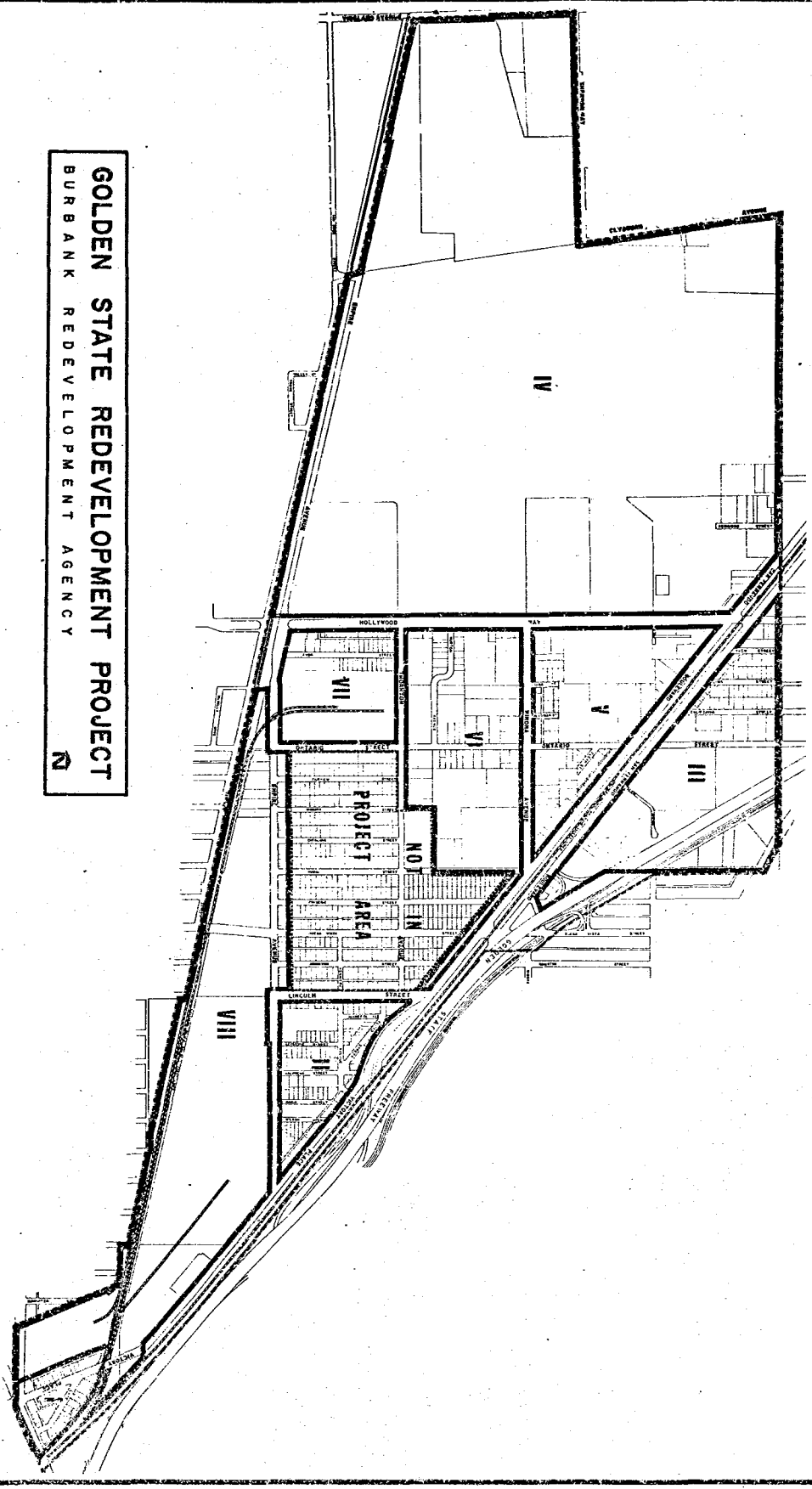
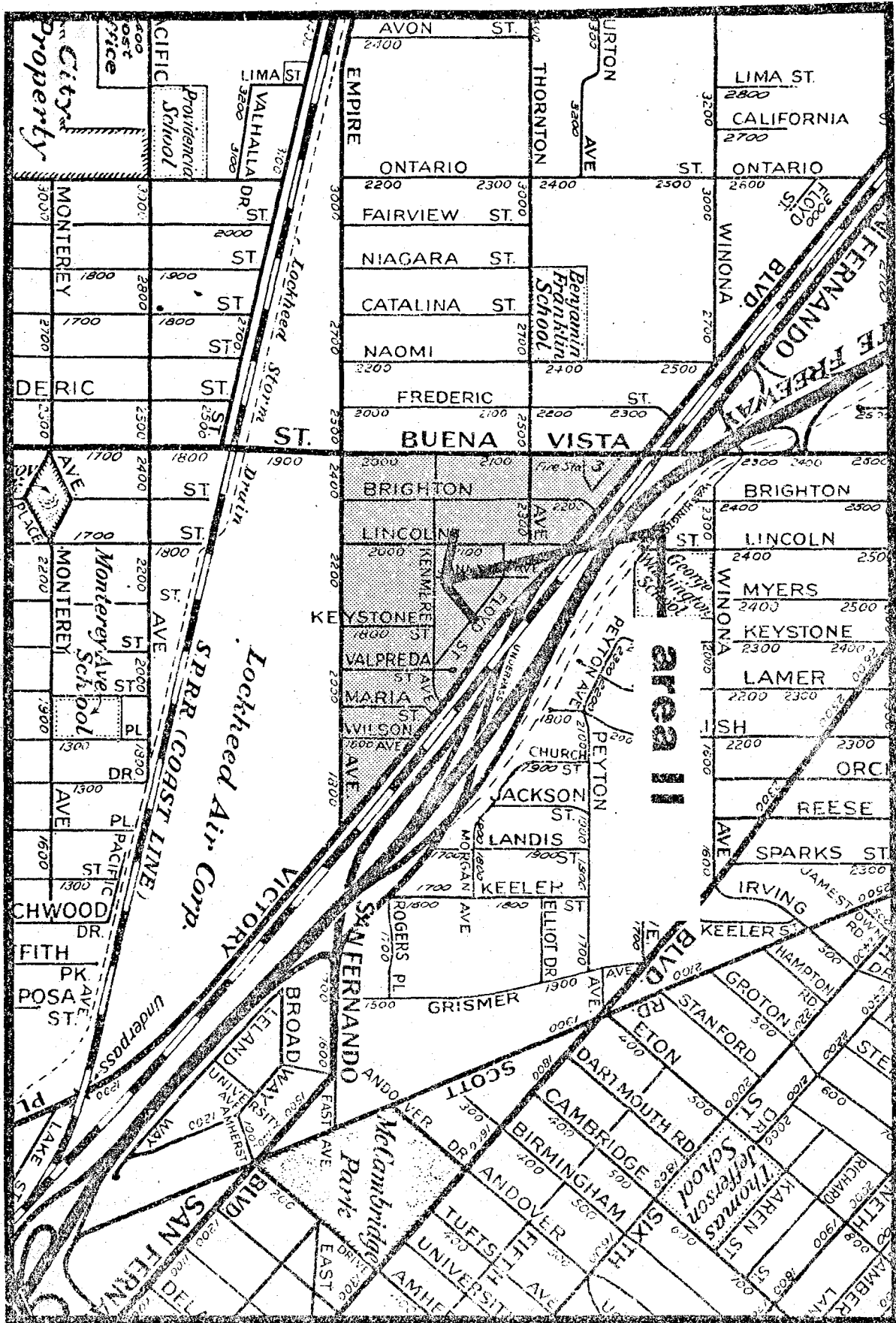


Figure 11--Area II Site Location Map



City Property

Providence School

Benjamin Franklin School

Monterey Ave School

Area II

Thomas Jefferson School

McCambridge Park

Lockheed Air Corp.

S.F. RR (COAST LINE)

Lefler Tool and Die Co., Burbank Water Ski Co., Sunvair Machine Works, Con Ferr Manufacturing Co., Lockheed Commercial Products Supply Center, J & M Products, Inc., James G. Boone Co., Inc., Accratronics of California, Inc., and Electrical Advertising Co., Inc.

Land use analysis of Area II. The Implementation Program established for Planning Area II indicates that the characteristic land use pattern in the area originated in the period of unrestrained growth that occurred in and around the Lockheed facilities during and after World War II. As a consequence of such growth, the area today is characterized by mixed and incompatible land usage, and according to Planning Department studies is, for the most part, in an advanced state of deterioration. This area was said to represent the worst of conditions to be found in the Golden State Project. Such uses had tended to compound the conditions of blight found in the project area, and as a result the greater portion of the land in Area II is currently misused or underused. Typical land uses include single and multiple family residential, light manufacturing mixed commercial, warehousing, off-street parking, engineering offices, and a trailer park (see Figure 12).

The following table is a breakdown of land use by category:⁷

Figure 12--Existing Land Use Map, Area II

PLANNING AREA II

EXISTING LAND USE MAP

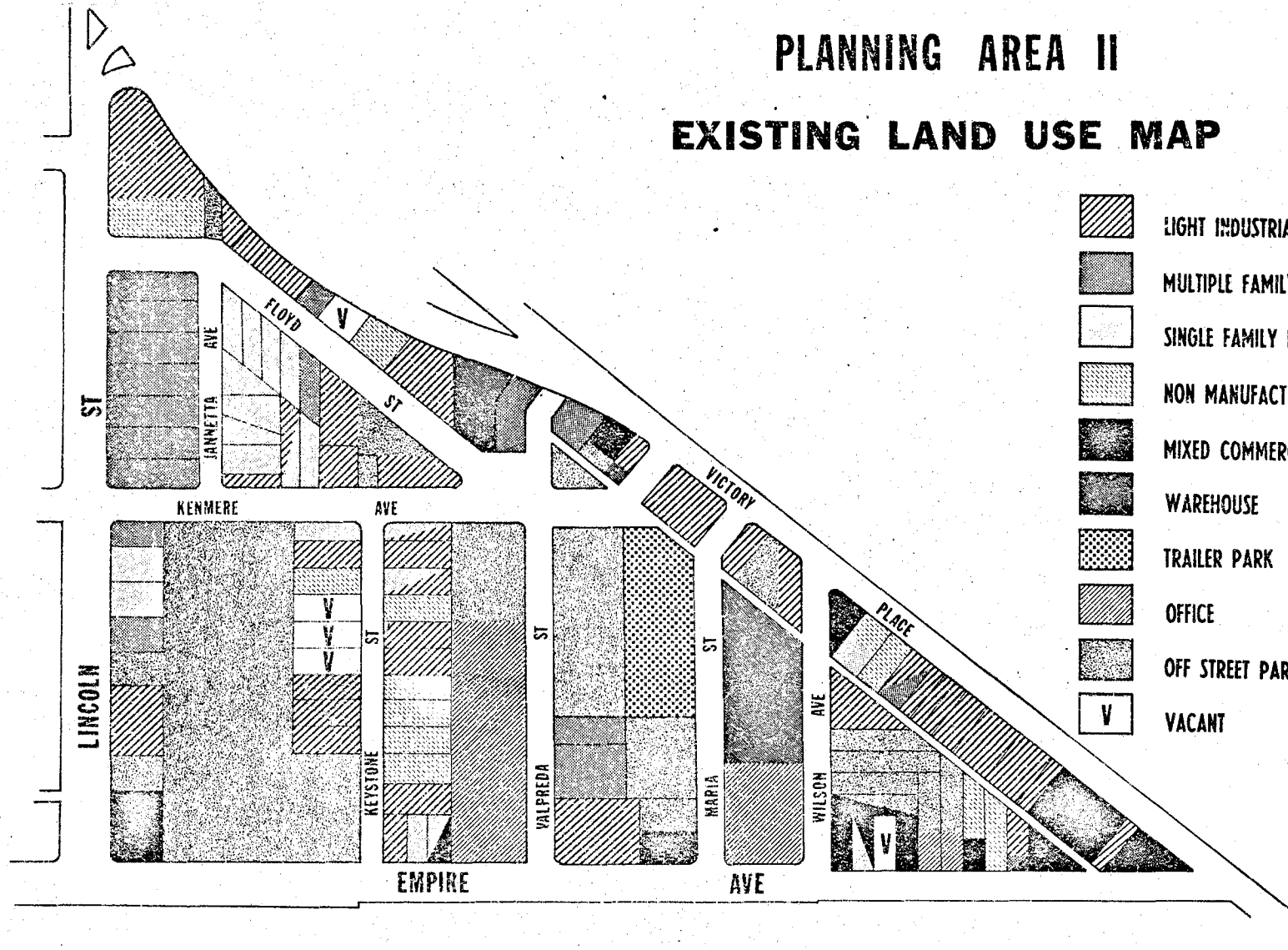


Table 1--Land Use Analysis (Area II)

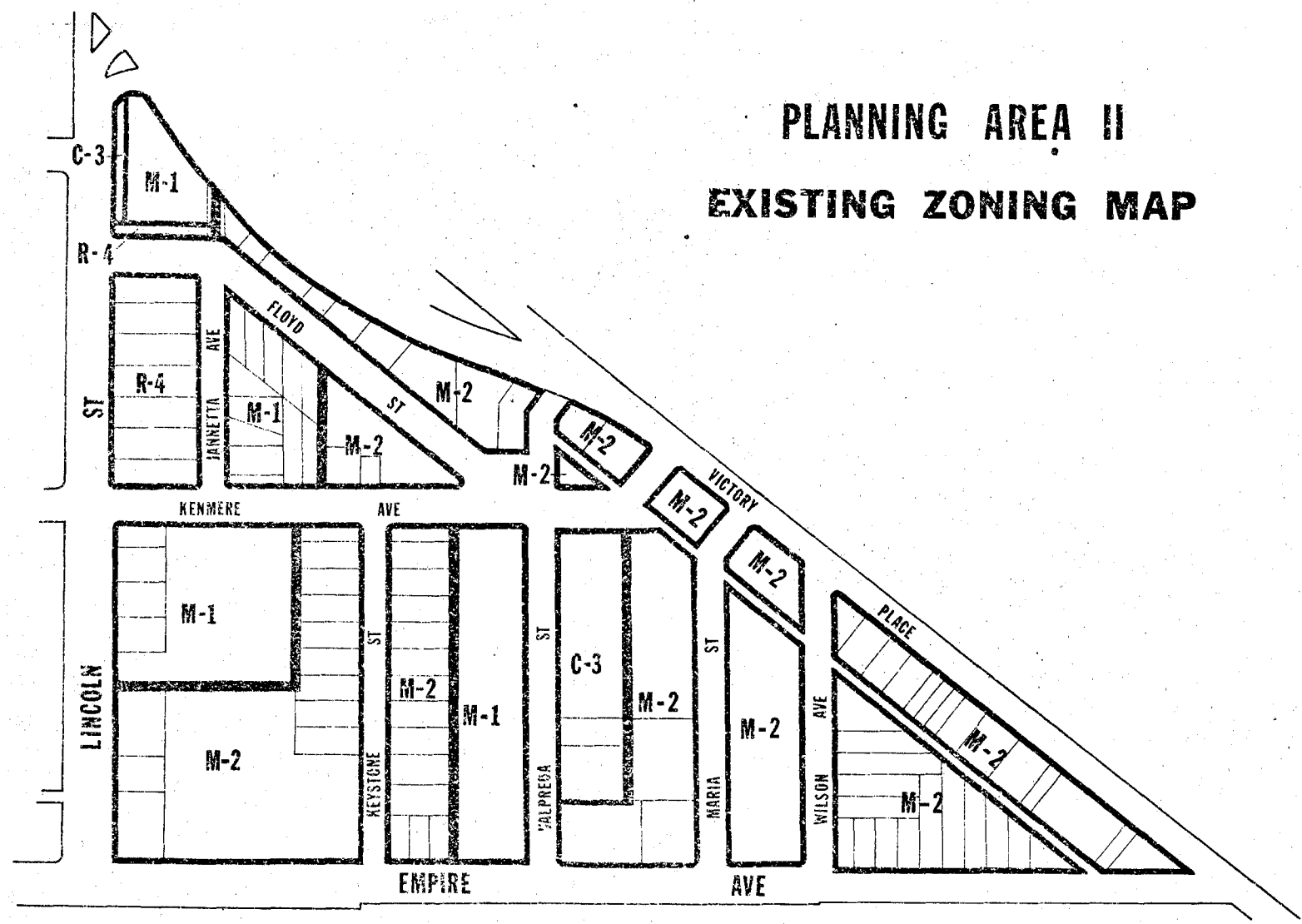
	<u>Acreage</u>	<u>Percent</u>
Single Family	2.0	6.1
Multiple Family	2.6	8.0
Lt. Manufacturing	5.5	16.9
Warehousing	1.0	3.1
Office	2.1	6.5
Commercial	2.0	6.2
Trailer Park	1.0	3.1
Off-Street Parking	8.3	25.5
Vacant	.6	1.8
Streets	6.0	18.5
Other	<u>1.4</u>	<u>4.3</u>
Total	32.5	100.0%

On the basis of the above table, it is apparent that much of the available land in Area II is underused primarily since the vast majority of the area is zoned for industrial use (see Figure 13--Zoning Map). By removing such undesirable and incompatible uses as single and multiple family dwellings and the trailer park, and by consolidating some of the larger off-street parking areas into structured parking, the redevelopment agency felt, it would be a simple matter to return approximately ten of these acres to productive industrial use.⁸

In July and August, 1972, a survey of existing structural conditions in Area II was conducted by members of the City's Fire and Building Departments. Of a total of 107

Figure 13--Existing Zoning Map, Area II

PLANNING AREA II EXISTING ZONING MAP



buildings inspected, 64 were found to be structurally sound (albeit perhaps in need of some exterior rehabilitation). Nine structures were found to be deficient with rehabilitation considered feasible. Eleven structures were noted as being deficient, and without feasible rehabilitation prospects. Twenty-three structures were rated as substandard (see Figure 14--Structural Conditions Map).⁹

The following table is a breakdown by block of the results of the structural survey:¹⁰

Table 2--Block Summary of Structural Survey (Area II)






<u>Block</u>	<u>No. of Bldgs.</u>	<u>Stan- dard</u>	<u>Def. Rehab. Feasible</u>	<u>Def. Rehab. Questionable</u>	<u>Sub- Standard</u>
19	27	16		2	9
20	3	2		1	
21	6	2	1	2	1
22	1	1			
23	4	1		3	
24	17	4	3	1	9
25	8	5			3
26	18	14	2	1	1
27	14	11	3		
28	2	2			
29	7	6		1	
Total	107	64 (60%)	9 (8%)	11 (10%)	23 (21%)

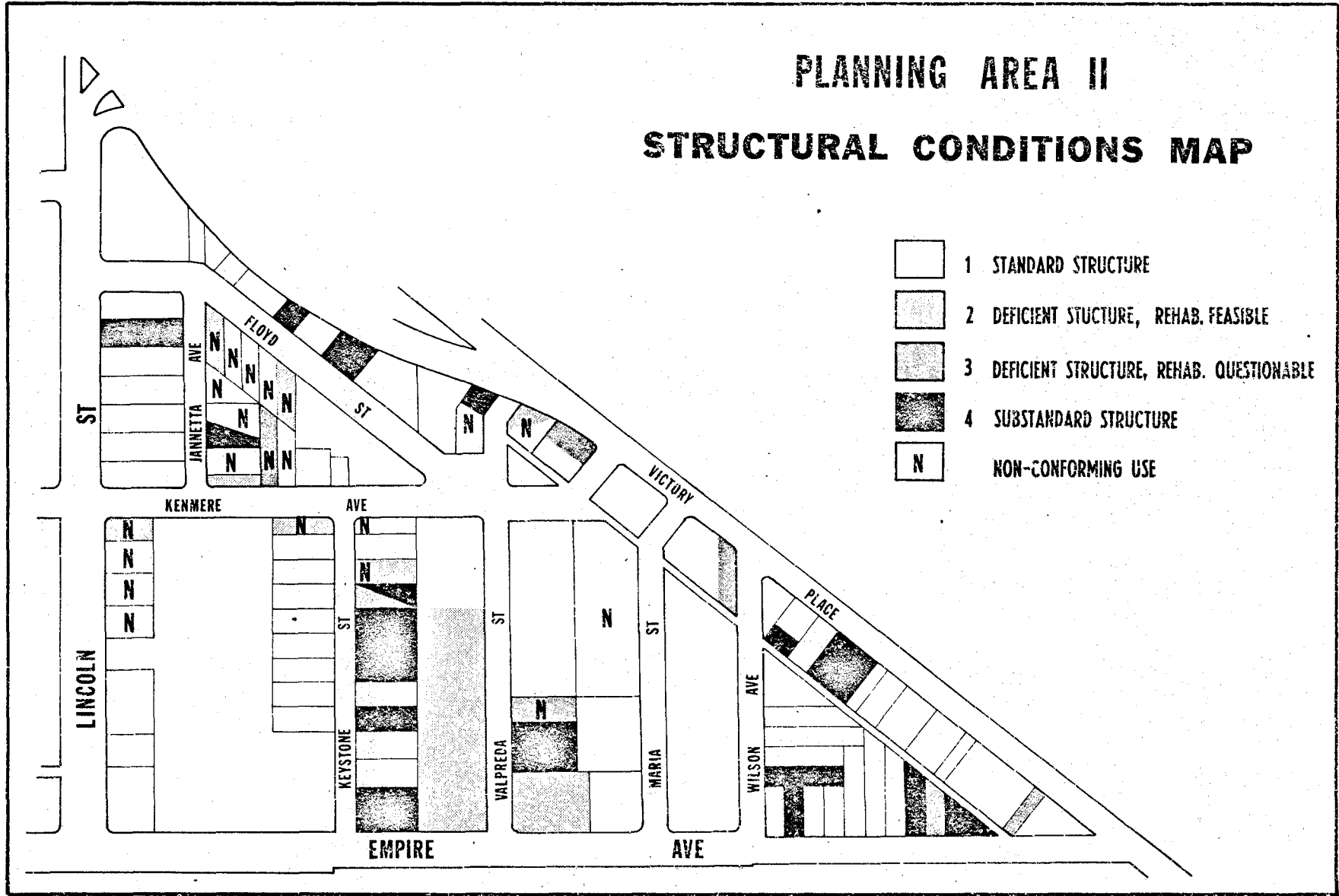
An analysis of the age of buildings in the area indicated that the majority were constructed during the period 1945 to the present, and many of these structures were

Figure 14--Structural Conditions Map, Area II

PLANNING AREA II

STRUCTURAL CONDITIONS MAP

-  1 STANDARD STRUCTURE
-  2 DEFICIENT STRUCTURE, REHAB. FEASIBLE
-  3 DEFICIENT STRUCTURE, REHAB. QUESTIONABLE
-  4 SUBSTANDARD STRUCTURE
-  NON-CONFORMING USE



found to be obsolete.

Planning objectives. Objectives of the Burbank Redevelopment Agency pertaining to Planning Area II included the following: (1) elimination of blight and blighting conditions through rehabilitation of any structures designated to remain and participate in the project; (2) purchase and reparcelization of vacant and unimproved parcels; (3) purchase and reparcelization of certain properties with deficient or substandard improvements, nonconforming, or incompatible uses; (4) execution of agreements providing for elimination of deficient and substandard improvements; and, (5) specified public and private actions to upgrade the area and improve the industrial base of the city.¹¹

The Agency proposed to enter into appropriate agreements with property owners and tenants to insure that development of property owned or occupied by them was in conformity with the intent of the Redevelopment Plan. Reparcelsation efforts were to be directed toward providing land to existing businesses for expansion purposes, to provide sites for the relocation and expansion of other businesses from the overall project area, and where possible, to provide sites for those industries displaced from the City Centre Redevelopment Project. Consideration was also given to providing sites to outside industrial concerns desiring to locate and participate in the Golden State Redevelopment Project.

Proposed public improvements in Area II included the

realignment, widening, and abandonment of certain selected streets, the improvement and beautification of the Southern Pacific Transportation Company's railroad right-of-way, the undergrounding of electrical distribution lines, and a program of street tree planting. The overall objective of the Agency in Area II was the elimination of blight and blighting conditions, and to provide local business and industry a sound environment in which to conduct their current and future operations.¹²

Proposed Redevelopment Actions

As an adjunct to the structural conditions survey, members of the Redevelopment Agency staff conducted field interviews with owners of businesses in Area II to determine their needs, future plans, and the compatibility of such plans with the goals of the Redevelopment Plan. From information derived from these interviews and the results of the structural survey, the Agency staff proposed the following actions to accomplish the planning objectives and goals designated for Planning Area II:¹³

- (1) implementation of the Owner's Participation Plan, whereby a property owner may enter into an agreement with the Agency to upgrade his property to conform to the intent of the Redevelopment Plan for the Golden State Redevelopment Project;
- (2) implementation of the Property Purchase Plan, which indicated those parcels (including land and improvements) proposed to be purchased by the Agency; and
- (3) implementation of the Land Use and Reparcelization Plan which incorporated the functions of (1) and (2) and indicated the possibilities for new development and reparcelization.




These proposed actions are shown graphically in Figure 15. It is apparent from Figure 15 that considerable property purchases were probably required in order to achieve planning objectives in the area. These properties were, for the most part, rated as being structurally deficient or substandard, considered non-conforming uses, or otherwise thought to represent major concentrations of blight. On the other hand, those properties on which the Agency proposed to enter into appropriate agreements were said to be representative of Burbank's better small businesses. All were viable and growing and their buildings were, with a few exceptions, in conformance with existing property development standards. It was with the owners of these businesses that the Agency proposed to enter into Owner's Participation Agreements and Development Agreements.

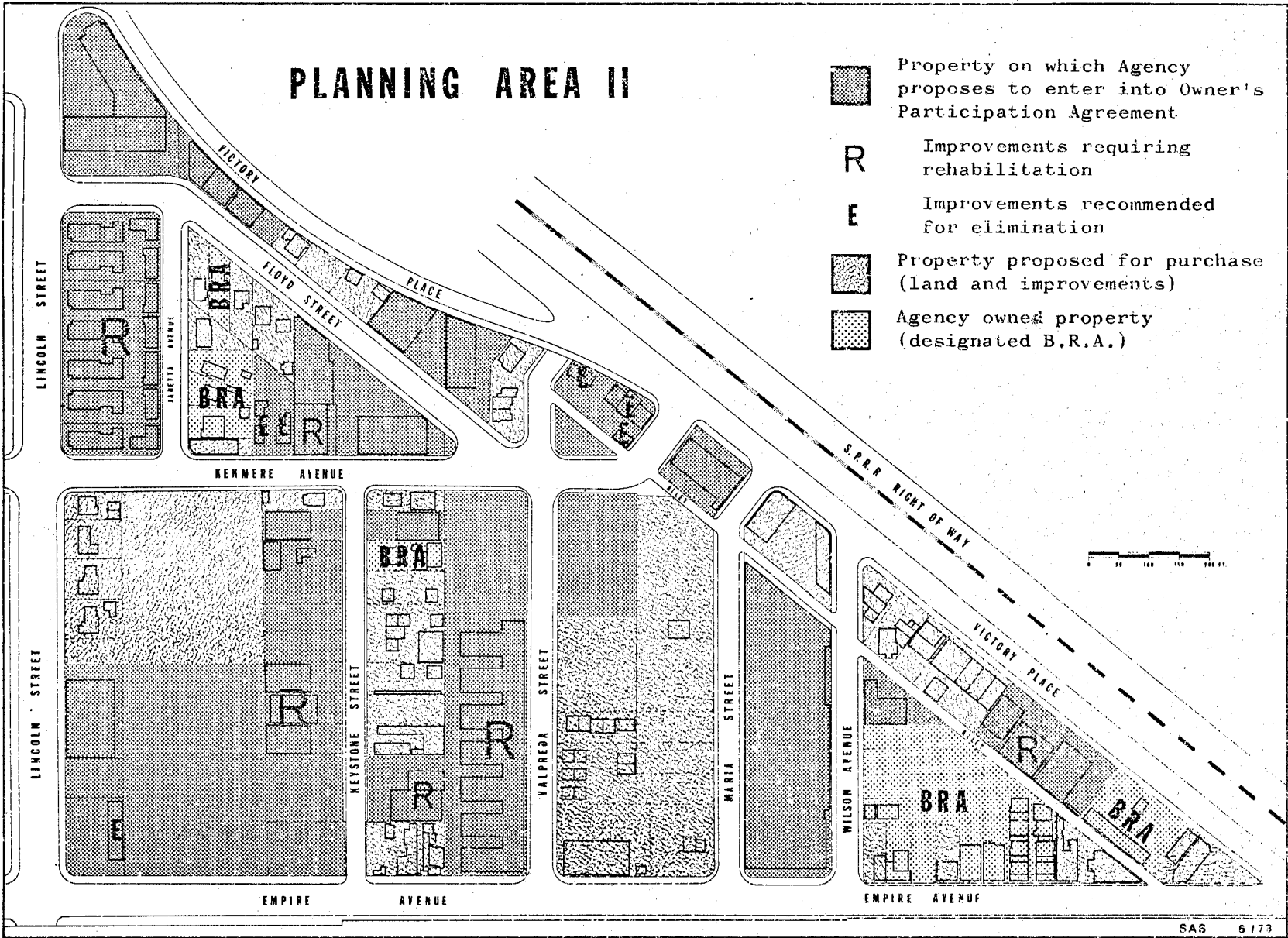
By designating certain properties and businesses to remain and participate in the project, the Agency hoped to accomplish two primary objectives. These are as follows:¹⁴

- (1) for those property owners and tenants entering into agreement with the Agency for the rehabilitation or improvement of the properties owned or occupied by them, the Agency would guarantee, as a provision of the Agreement, the continued existence of their business on their existing site. As participants, such owners and tenants needed no longer be concerned about future Agency actions since such an agreement would result in bringing their properties into conformity with the intent of the Redevelopment Plan;
- (2) any improvements resulting from the Owner's Participation Agreement process would have the overall effect of upgrading the area, to the benefit of all business in the area, thus providing for a more viable and cohesive

Figure 15--Planning Objectives Map, Area II

PLANNING AREA II

-  Property on which Agency proposes to enter into Owner's Participation Agreement
- R** Improvements requiring rehabilitation
- E** Improvements recommended for elimination
-  Property proposed for purchase (land and improvements)
-  Agency owned property (designated B.R.A.)



industrial community.

Proposed property purchases in Area II were directed primarily toward the removal of substandard and deficient structures, blighting conditions, and the reparceling of all such properties to provide for the expansion of existing businesses and the establishing of additional businesses into the area upon newly assembled parcels.¹⁵

As a result of survey questionnaires circulated among businesses in Area II, as well as field interviews conducted by the Redevelopment Agency staff, it was determined that existing businesses in Area II severely lacked enough space to satisfy both their current and future needs. Assistance from the Agency would be required in those cases where it had been determined to be necessary to make land available to participating businesses for expansion purposes.

In this respect, Land Use Planning in Area II was to be directed initially at the accommodation and expansion of such businesses and industries as currently exist in the area. Land left over after meeting the needs of these businesses was to be reparcled into sizes commensurate with the recommendations contained in the Industrial Land Market Analysis prepared for the Agency by the VTN Corporation.¹⁶ This report suggested that these parcels should vary in size from 6,000 square feet to approximately one acre and more, and should be used for the location or relocation of businesses requiring the regional circulation

amenities afforded by Hollywood-Burbank Airport, the Golden State Freeway, and the intra-city access afforded by San Fernando Boulevard and nearby Buena Vista Street and Hollywood Way.

Figure 16 indicates, in conceptual form, the possibilities for new development in Area II that could arise from the expansion of existing industries through the implementation of Owner's Participation Agreements, as well as any new development that might occur through the elimination of substandard and deficient structures and misused parcels. Such reparcelization and consequent development was to be governed by the intent of the Redevelopment Plan for the Golden State Redevelopment Project. Specific reuse parcels as shown on Figure 16 indicate such development proposals as follows:

Parcel A represents a 17,000 sq. ft. site with approximately 7,600 square feet of proposed new construction.

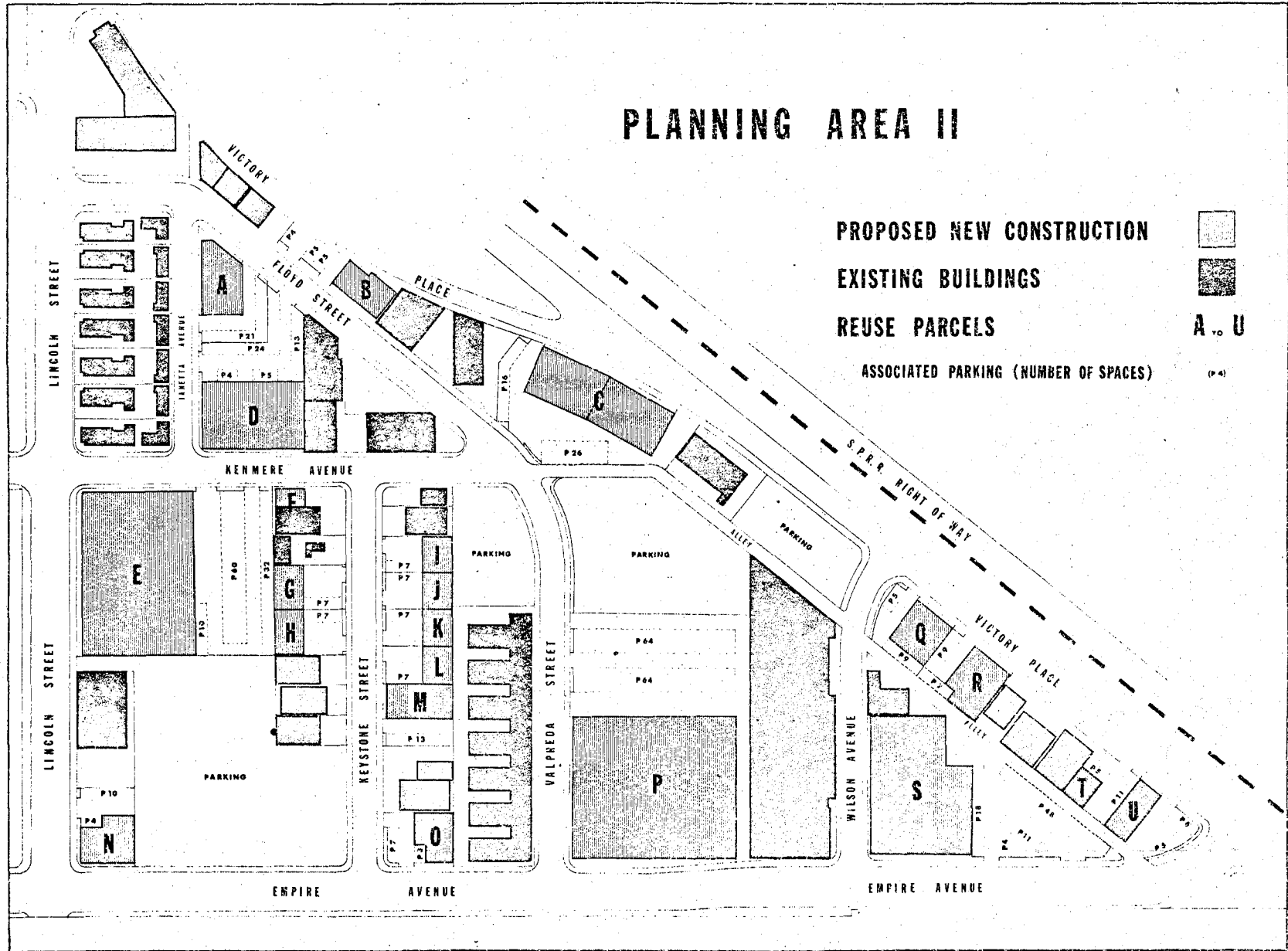
This parcel would result from the elimination of numerous substandard dwelling units in the area.

Parcel B would result from the elimination of a seriously overcrowded dwelling unit and the removal of a large vacant lot used for storage of disabled vehicles. The site would consist of approximately 13,500 square feet, with new construction of 4,800 square feet.

Parcel C could result from the vacation and realignment of a portion of Valpreda Street and Kenmere Avenue. The proposed site would include approximately 48,000

Figure 16--Land Use and Reparcelization Plan
Map, Area II

PLANNING AREA II



square feet along with at least 20,000 square feet of building area. Development of this site could proceed under terms of proposed agreements with an adjacent property owner interested in expanding his existing business.

Parcel D represents the conceivable results of an agreement between the Accratronics Co. and the Agency to provide land for the company's desperately needed expansion (see proposed site plan). The site would consist of approximately 40,000 square feet with 19,000 square feet of proposed new construction involved.

Parcel E would represent a 92,000 square foot site resulting from the elimination of residential uses fronting on Lincoln Street south of Kenmere Avenue, and the acquisition of a portion of Lockheed owned parking lot (Block 27, Parcel 2). A new building of approximately 51,000 square feet could be constructed on this parcel.

Parcel F could result from the elimination of an existing non-conforming use on an adjoining parcel (Block 27, Parcel 1), which would allow an existing business the opportunity to expand its present site and building areas. The proposed addition would result in approximately 1,500 square feet of new construction.

Parcels G and H would be the result of development by the owner of three currently unimproved and contiguous lots totaling approximately 18,000 square feet. The parcel could be developed as a site for two small

industrial buildings of 3,700 square feet each, or one building of 7,400 square feet.

Parcels I, J, K, and L have been earmarked for use by small businesses. The plan proposes four separate sites of 7,200 square feet each, with provisions for a 3,000 square foot building on each site. There is also the possibility of combining two or more parcels to form a larger total site area should this be deemed necessary.

Parcel M represents a proposed 12,000 square foot site, with a 6,000 square foot building.

Parcel N is proposed for development by the property owner. It is anticipated that a 6,500 square foot building would be constructed on this 12,350 square foot parcel.

Parcel O would result from the removal of several substandard buildings and non-conforming uses in this area. The new site would consist of approximately 10,600 square feet with 5,000 square feet of new building construction.

Parcel P is a proposed site of almost three (3) acres (126,000 square feet) with 64,000 square feet of new building construction that would result from the elimination of several non-conforming uses and substandard buildings, the vacation of Maria Street, and the reparcelization of an existing Lockheed parking lot.

Parcel Q represents a 12,500 square foot parcel with 6,000 square feet of new building construction.

Parcel R is a 13,000 square foot parcel with 7,600 square

feet of proposed new building construction.

Parcel S represents a 1.5 acre site (66,500 square feet) with 35,600 square feet of proposed new building construction.

Parcel T represents a 5,250 square foot site expansion of an existing business. Proposed new construction would amount to approximately 2,300 square feet.

Parcel U represents a 12,600 square foot site with proposed new construction amounting to approximately 4,500 square feet.

As a result of the implementation of this reparcelization plan, it was estimated that such action could result in a total of approximately 12.5 acres of new industrial sites within Planning Area II, along with 254,000 square feet of new construction with an improvement value of approximately \$2.5 million. All such new parcels were to be developed under the terms of a Disposition and Development Agreement between the Agency and interested concerns.

The purchase of property has already begun in the Area, and it is expected that within 24 months, redevelopment activities in Area II should be essentially complete. Phasing of public improvements are expected to be accomplished with the same 24 month time frame.

Landscaping was to be one of the key elements in the upgrading and revitalization of Area II. The proposed program was expected to provide major visual amenities to the project, as well as alleviate much of the ugliness commonly

associated with an industrial area. The program was a joint effort between the Agency, the City, and property owners, with the Agency providing the impetus for participation by proceeding with initial landscaping efforts, where possible, within public rights of way. Participation from the private sector was to be further encouraged through Owner's Participation and Disposition and Development Agreements between the Agency and participants.

All new construction in Area II was required to have landscape setbacks of at least five (5) feet on street frontages. In addition, the Agency encouraged the use of architectural variety in new construction, that would serve as complementary factors to the overall effect of landscaping in the Area. As an inducement to provide landscape setbacks, the Agency was to give consideration to costs incurred by developers in providing such amenities in the execution of Disposition and Development Agreements. All construction plans submitted to the Agency for new development were to be reviewed to ensure that landscaping was in compliance with the objectives of the Redevelopment Plan.

The Public Improvements Plan for the area set forth specific recommendations for public improvements to achieve the Agency's objectives of improving the overall environmental quality of Area II, and was to provide an environment more suited to the needs of existing and prospective business and industry. Such recommendations were to be considered as tentative guidelines to assist the Redevelop-

ment Agency in formulating long-range policy and day-to-day administrative decisions. These recommendations, including the allocation of funds and preparation of engineering plans, were to be coordinated with the City of Burbank and with private development activities in the area.

It was then the intent of the Redevelopment Agency, through the above prescribed actions, to provide the physical development framework necessary to accomplish the planning objectives established for Area II. To accomplish these objectives, it was necessary to have the full and complete cooperation of businessmen and property owners in the area. To this end, the Agency made every effort to communicate with owners and tenants, and to determine their plans, needs, and special requirements before embarking on any long-range planning activities.

FOOTNOTES FOR CHAPTER IV

1. William L. Pereira Associates, "Lockheed Properties, Hollywood-Burbank Airport; Airport and Land Use Concept '72" (Los Angeles, 1972). p. 13.
2. Redevelopment Agency of the City of Burbank, "Report to the Council of the City of Burbank on the Redevelopment Plan for the Golden State Redevelopment Project" (October, 1970). p. 1.
3. This included single and multiple family residential, trailer parks, and hotel and motel uses.
4. Letter from Office of Council of the City of Burbank, February 10, 1971.
5. Gov. Code, Section 7261.
6. Ibid., Sections 7263 and 7264.
7. Redevelopment Agency of the City of Burbank, "Implementation Program for Area II" (June, 1973). p. 3.
8. Ibid., pp. 95-100.
9. Ibid., p. 6.
10. Ibid., p. 6.
11. Ibid., p. 61.
12. Ibid., p. 106.
13. Ibid., pp. 63-64.
14. Ibid., p. 65.
15. Ibid., p. 84.
16. Ibid., p. 12.

CHAPTER V
ANALYSIS OF BURBANK'S
INDUSTRIAL REDEVELOPMENT PROGRAM

Nature of Analysis

A comprehensive analysis of the Golden State Redevelopment Project cannot, of course, be accomplished until the entire project has been completed. However, an analysis of the Burbank's Redevelopment Agency's progress toward achieving the goals and objectives it established for Planning Area II is sufficient for a discussion of the results that can be obtained through the process of redevelopment carried out under the provisions of California Community Redevelopment Law. In the preceding chapter, the redevelopment process, as it was to be applied to Area II, was discussed. In this chapter, the author hopes to show, through a discussion of subsequent events, how far the Burbank Redevelopment Agency has progressed toward achieving these goals.

First of all, it is significant to note that since the "Implementation Program for Area II" was adopted in June, 1973, the Burbank Redevelopment Agency has purchased over fifty separate parcels within the area. At the time of this writing, the Agency has disposed of thirty-eight of these parcels, which have been combined into ten separate reuse parcels and is preparing to dispose of eight more parcels that will comprise three additional reuse sites. Therefore, this analysis shall be directed at the condi-

tions of these parcels before and after the implementation of the Burbank Redevelopment Agency's renewal program.

Parcels A through U (refer to Figure 16) represent idealized reuse concepts, and in comparing recent development proposals with such concepts, the Agency's planning effort seems to be paying off.

Site analyses. In the case of Parcel A, the Redevelopment Agency entered into a Disposition and Development Agreement (DDA) with a local Burbank manufacturing business, which, although not located in the Project Area, was in need of land to expand upon.¹ Parcel A had previously existed as four separate lots, each occupied by single family residences of questionable structural stability (reference is again made to Figure 14). The residential uses were also in non-conformance with the industrial zoning on the site (refer to Figure 13). As part of the implementation program for Area II, the Agency purchased these parcels, and has subsequently relocated the residents and razed the structures. This area was said to have been representative of some of the worst conditions in the project area (see Figure 17).

These four separate parcels have been combined into a single re-use parcel of 16,982 square feet. The developer has constructed an industrial building of 9,200 square feet on the site (Figure 18). It is his intent to make approximately half of the building available for use by other small businesses on a leasing arrangement which would

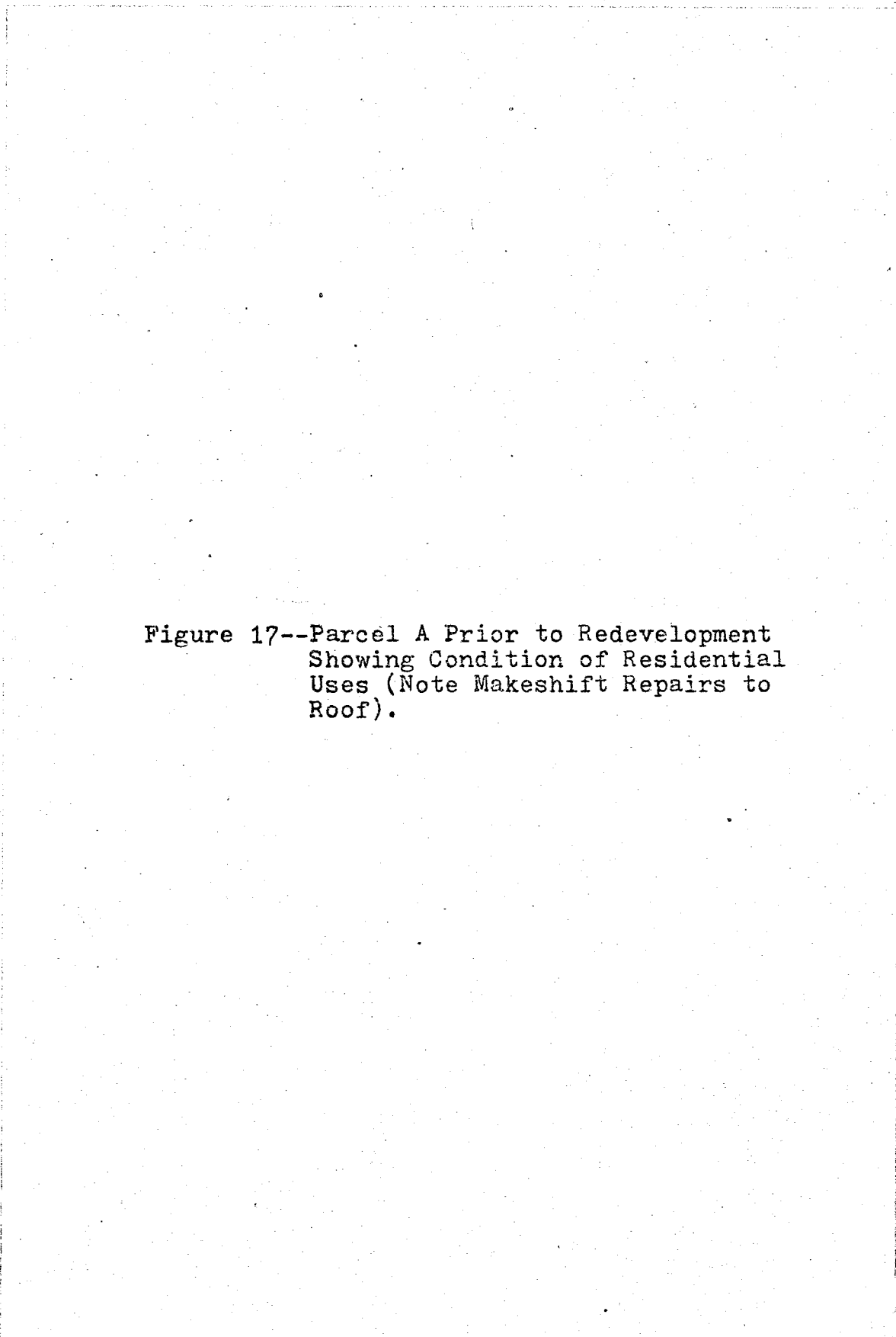


Figure 17--Parcel A Prior to Redevelopment
Showing Condition of Residential
Uses (Note Makeshift Repairs to
Roof).



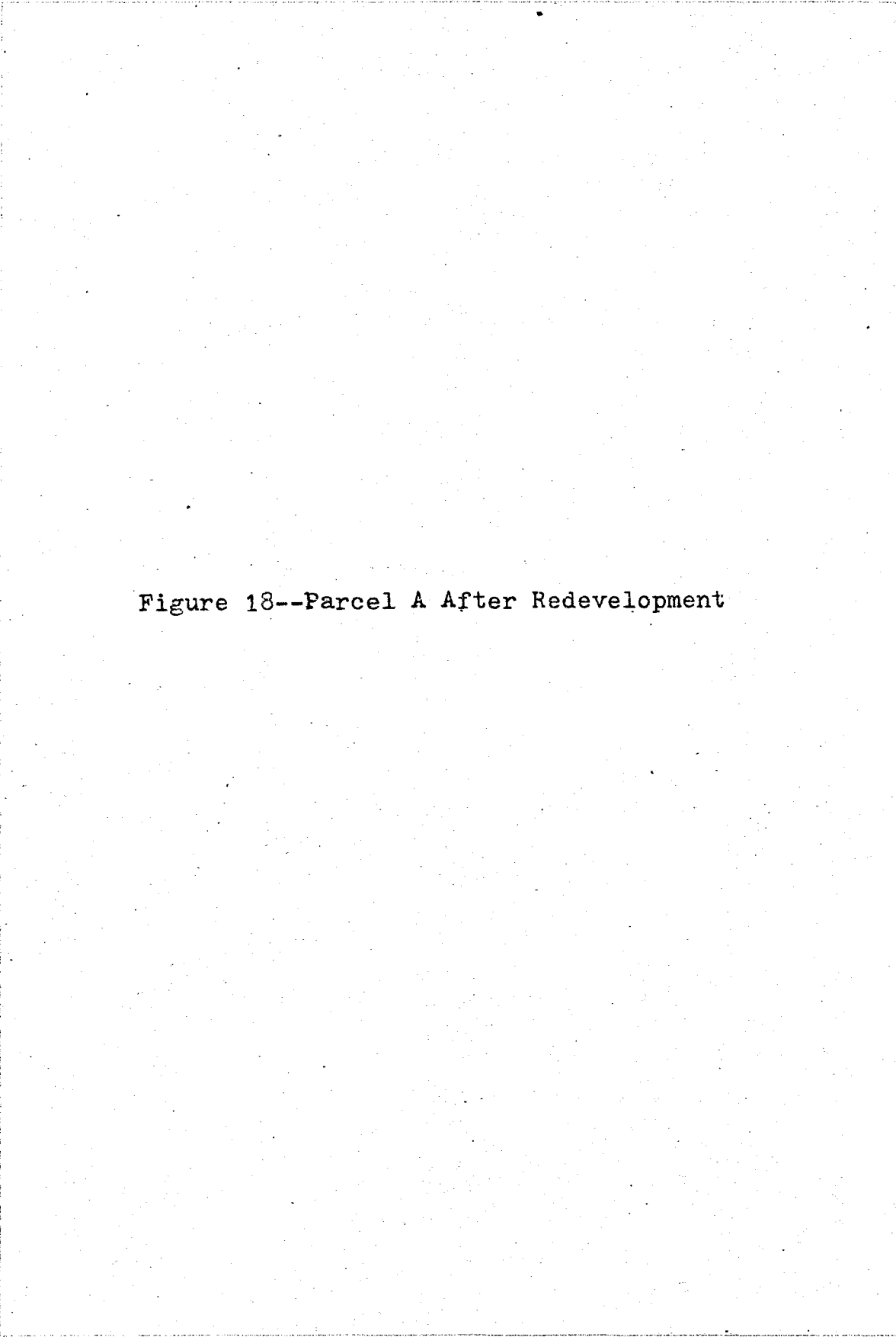


Figure 18--Parcel A After Redevelopment



provide him with some income off the property, and room to expand on site at a later date.

This particular situation is illustrative of what is involved in the concept of the "Tax Increment" as a financing method. In this case, the Redevelopment Agency paid a total of \$52,150 for the four properties.² The property was resold to the developer for \$46,500. This would seem to result in a net loss to the Agency of \$5,650, but given the tax increment resulting from the proposed new construction, the following figures emerge:

New Assessed Value (Land and New Improvements)	\$31,200
Old Assessed Value (Land and Old Improvements)	<u>11,875</u>
Difference	\$19,325
Times Current Tax Rate	<u>.1173</u>
Tax Increment (Accruing to Agency)	\$ 2,266

Therefore, it can be seen that there is some merit to this concept as a vehicle for local renewal programming in that within three years the Agency can expect to get a return on its money. In this example, relocation and site preparation will be discussed later, in the context of summarizing the Agency's activity in Area II.

To date no action has been taken on the development of Parcels B and C. Parcel D, however, is representative of much the same situation as was found in the case of Parcel A. The "Implementation Program" designated this site for future development by an adjacent business (the Accratronics Co.). This company purchased an approximately 17,000 square foot site from the Agency which is to be used for

the expansion of their manufacturing business. The Agency-owned site will be utilized in conjunction with property already owned by the developer, resulting in a 26,000 square foot parcel. The company proposed to build a new industrial building of approximately 13,200 square feet (see Figure 19). The estimated value of the development upon completion is expected to be about \$200,000.³ This should result in a total tax increment accruing to the Agency of about \$3,500, an amount over and above the taxes derived from the site in its previous condition.

Parcels E through I are in various stages of acquisition and assemblage and as yet have not been subject to any specific development proposals. Parcels J, K, and L have been assembled into a single reuse parcel, rather than the three separate parcels indicated on Figure 16. The developer, a local cabinet manufacturing firm, proposes to construct a 13,800 square foot concrete block building on the site. The value of the proposed development is anticipated to be on the order of \$211,000. It is expected that the resultant tax increment will be about \$6,437, which represents an increase of approximately \$4,237 in revenue, over and above that derived from the previous uses.⁴

Parcels N and M represent owner developed sites, and as such do not lend themselves to the purposes of this discussion. However, the net increase in tax revenues resulting from the new construction, nonetheless, accrues to the Agency in the form of tax increments.

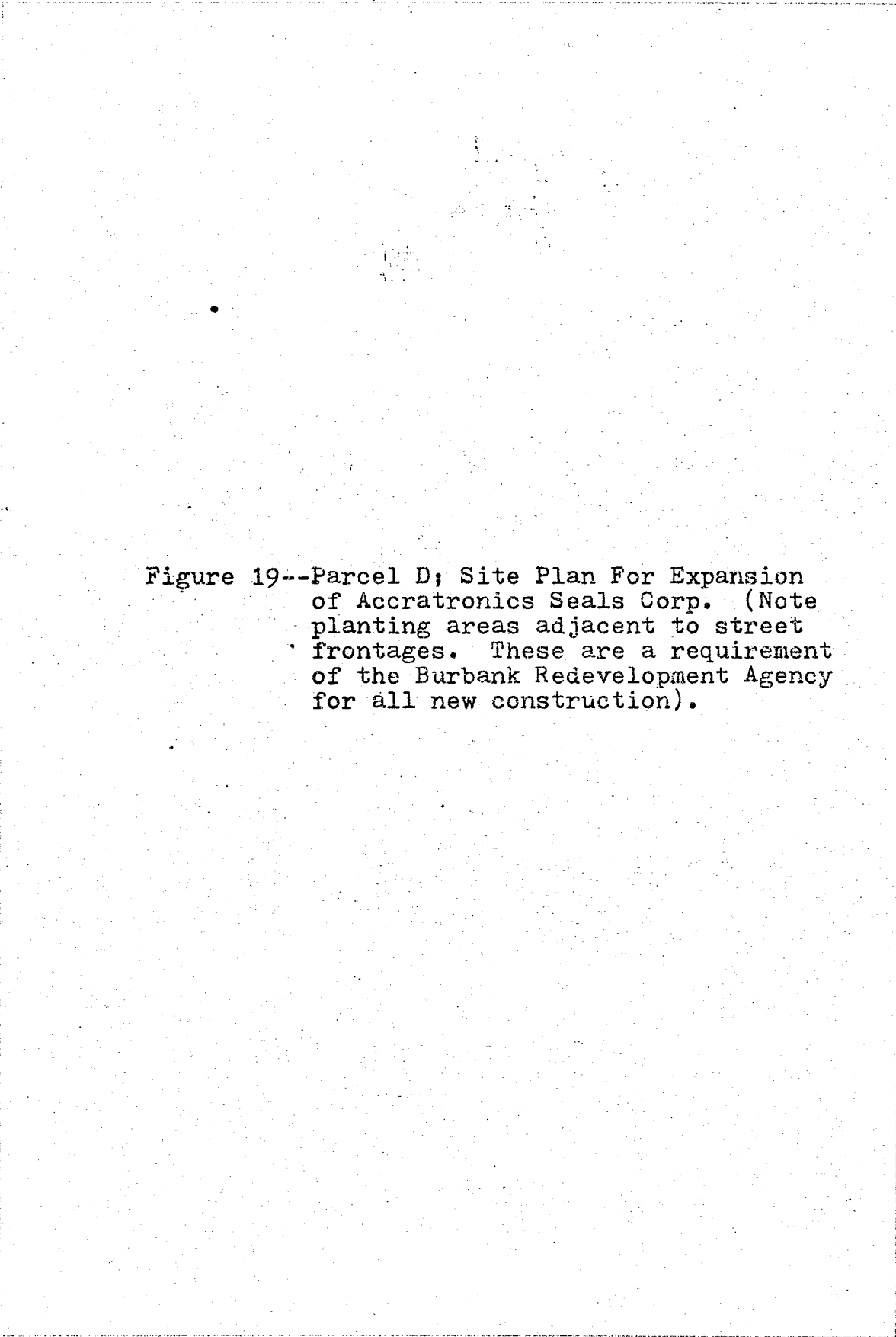
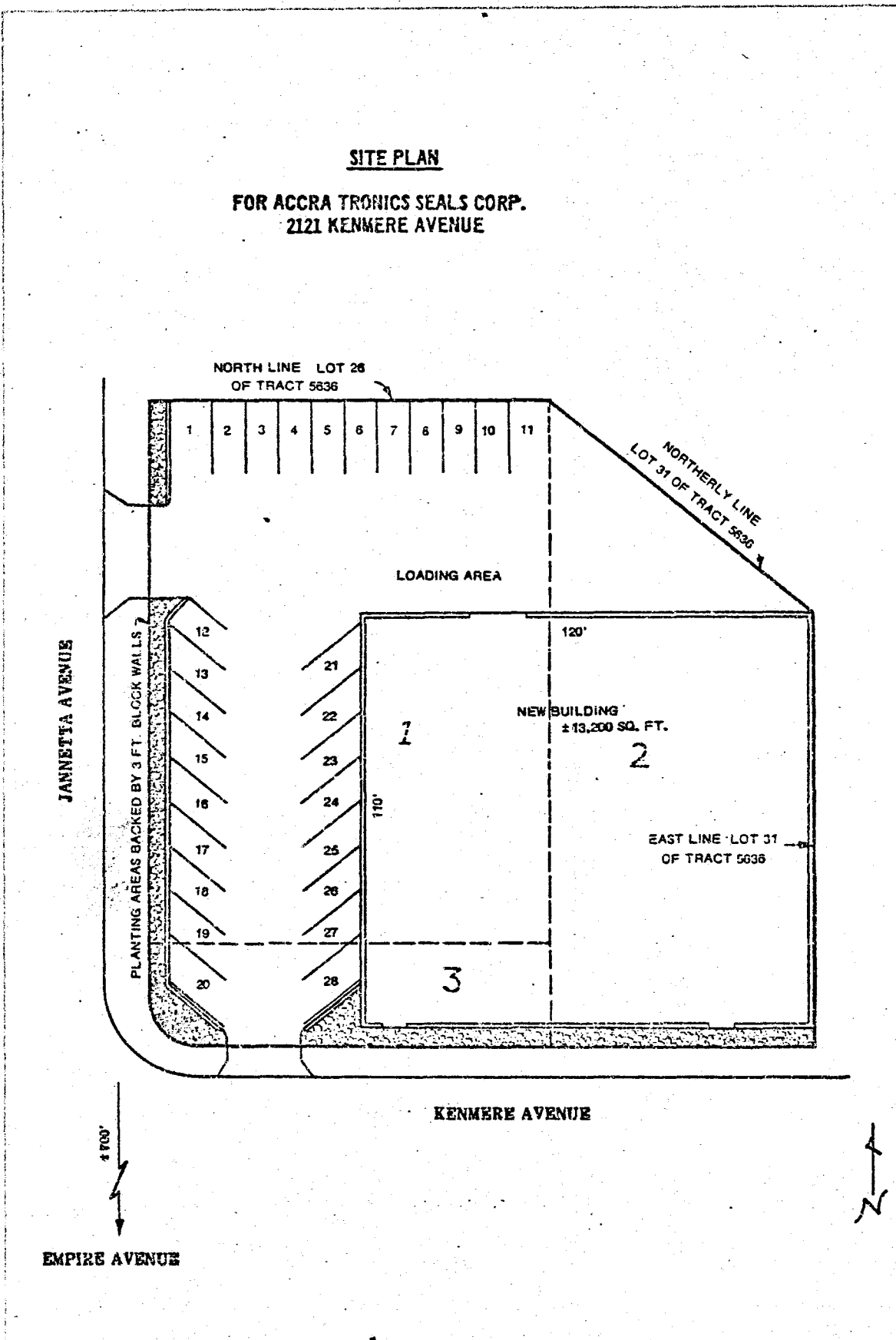


Figure 19--Parcel D; Site Plan For Expansion
of Accratronics Seals Corp. (Note
planting areas adjacent to street
frontages. These are a requirement
of the Burbank Redevelopment Agency
for all new construction).

SITE PLAN

**FOR ACCRA TRONICS SEALS CORP.
2121 KENMERE AVENUE**



Parcel O is a 10,000 square foot site sold to another local business, as a site for its company headquarters. The developers propose to construct a 5,023 square foot concrete block industrial building initially, but the building is to be engineered for rooftop parking, which will provide for approximately 4,000 square feet of additional building for a total of about 9,000 square feet. The previous substandard uses on the subject site included a series of old residences, sheds, garages, and old wood buildings used for light manufacturing and storage along with a dilapidated lunch counter. The proposed investment would be worth approximately \$167,000. The new assessed valuation would be approximately \$42,000 as opposed to \$13,700 for the previous uses. The development will generate a tax increment of approximately \$5,000 representing an increase of approximately \$3,400 in tax revenues over the previous uses.⁵

Parcel P is representative of a major speculative development venture. The developer has under construction, at the time of this writing, a 65,000 square foot concrete block industrial building designed to accommodate tenants requiring 5,000 to 40,000 square feet of floor area. The expected value of the development is anticipated to be approximately \$1,000,000. The assessed valuation, then, can be expected to be on the order of \$250,000, as opposed to \$91,000 for the previous uses. The expected increment should amount to approximately \$30,325, which represents

an increase of approximately \$19,600 over the taxes previously derived from the site.⁶

Parcel Q was the subject of a Disposition and Development Agreement between the Agency and a local business desiring to be relocated from the Downtown Redevelopment Project.⁷

Previously under three separate ownerships, the site was reduced in size for purposes of realigning Wilson Avenue. The area of the development is approximately 12,900 square feet. A 6,700 square foot building was built on the site (see Figure 20). The total value of land and improvements after completion of development amounts to approximately \$108,400. The new assessed valuation approximates \$27,000 as opposed to \$11,475 for the previous uses which included a horse trailer repair facility, a substandard dwelling unit and several other deficient structures (see Figures 21 and 22).⁸ The anticipated tax increment resulting from the new development should amount to approximately \$1,636.

Parcel R, as yet, has not been subject to acquisition by the Agency. Parcel S, on the other hand, represents a significant accomplishment on the part of the Redevelopment Agency in Area II. So far, most of the acquisition and disposition in Area II has been geared primarily to providing parcels suitable to the needs of smaller businesses. In the case of Parcel S, the Redevelopment Agency made a major reparcelization effort combining a total of fourteen

Figure 20--Parcel Q; Example of New Construction
Carried Out Under Auspices of
Redevelopment Agency.



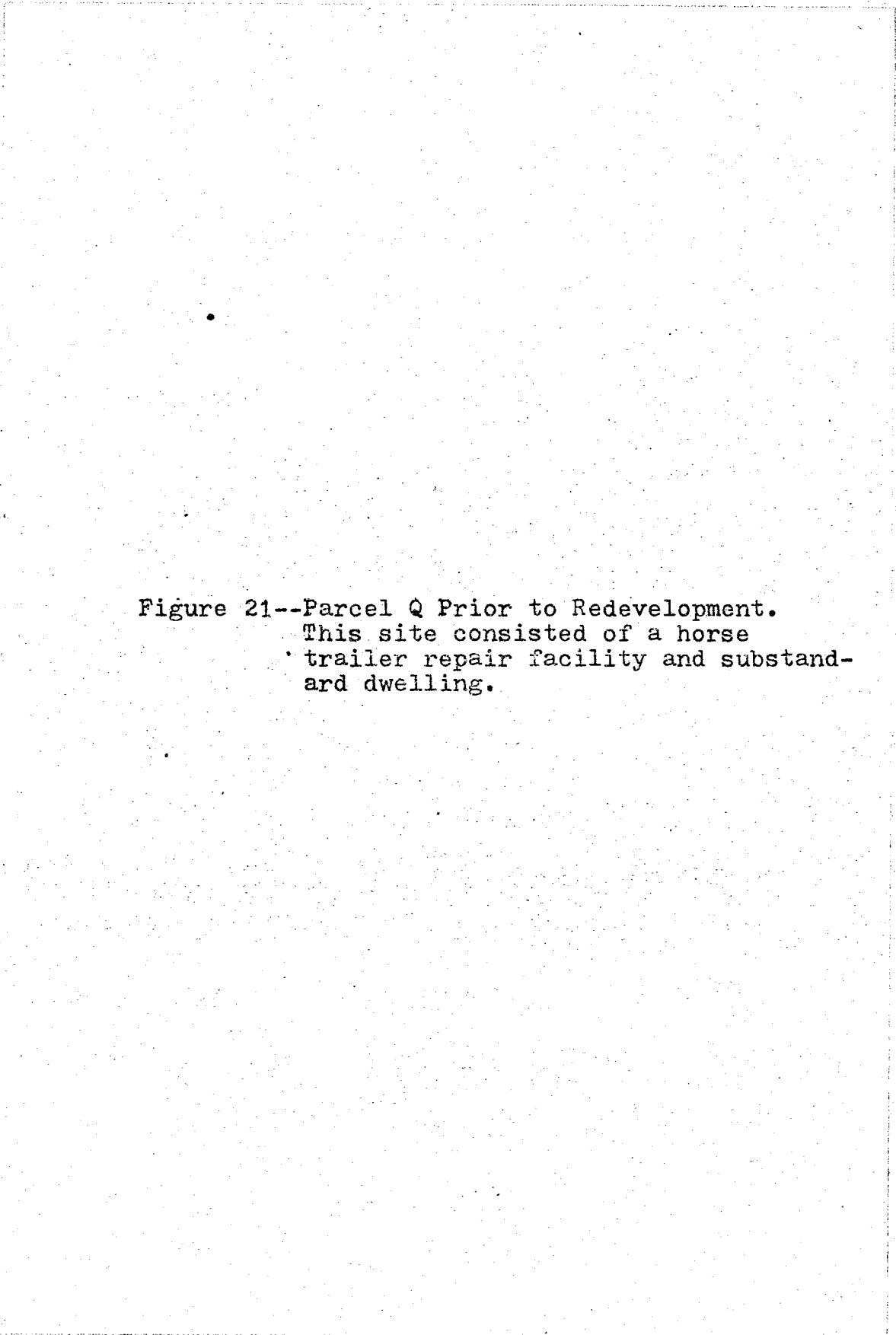


Figure 21--Parcel Q Prior to Redevelopment.
This site consisted of a horse
trailer repair facility and substand-
ard dwelling.



Figure 22--Parcel Q; Substandard Dwelling
Unit Removed For New Construction



separate lots into one 65,000 square foot reuse parcel (reference is made to Figures 14 and 15). This site was previously occupied by a number of substandard structures, including a vacant check cashing stand, a lunch stand, several converted dwelling units, two beer bars, and a converted World War II Lockheed cafeteria that housed a brake shoe remanufacturing operation (see Figures 23-26). A 42,000 square foot office and warehousing operation worth approximately \$500,000 has been developed on the site (see Figure 27).

A comparison of the scope of development between this parcel and that of Parcel A is indicative of what type of tax increment can be generated through this application of the tax increment method of project financing:

	Parcel A	Parcel S
Estimated New Assessed Valuation	\$31,200	\$170,000
Old Assessed Valuation	<u>11,875</u>	<u>68,100</u>
Difference	\$19,325	\$101,900
Times Current Tax Rate	<u>.1173</u>	<u>.1173</u>
Resultant Increment	\$ 2,266	\$ 11,952

This example points out two important things concerning the tax increment financing method. The first is that in order to derive an increment, an Agency must replace improvements worth considerably more than those removed. Second, the greater the improvement value the greater is the resulting increment. These factors then determine the financial success or failure of any non-assisted redevelopment.

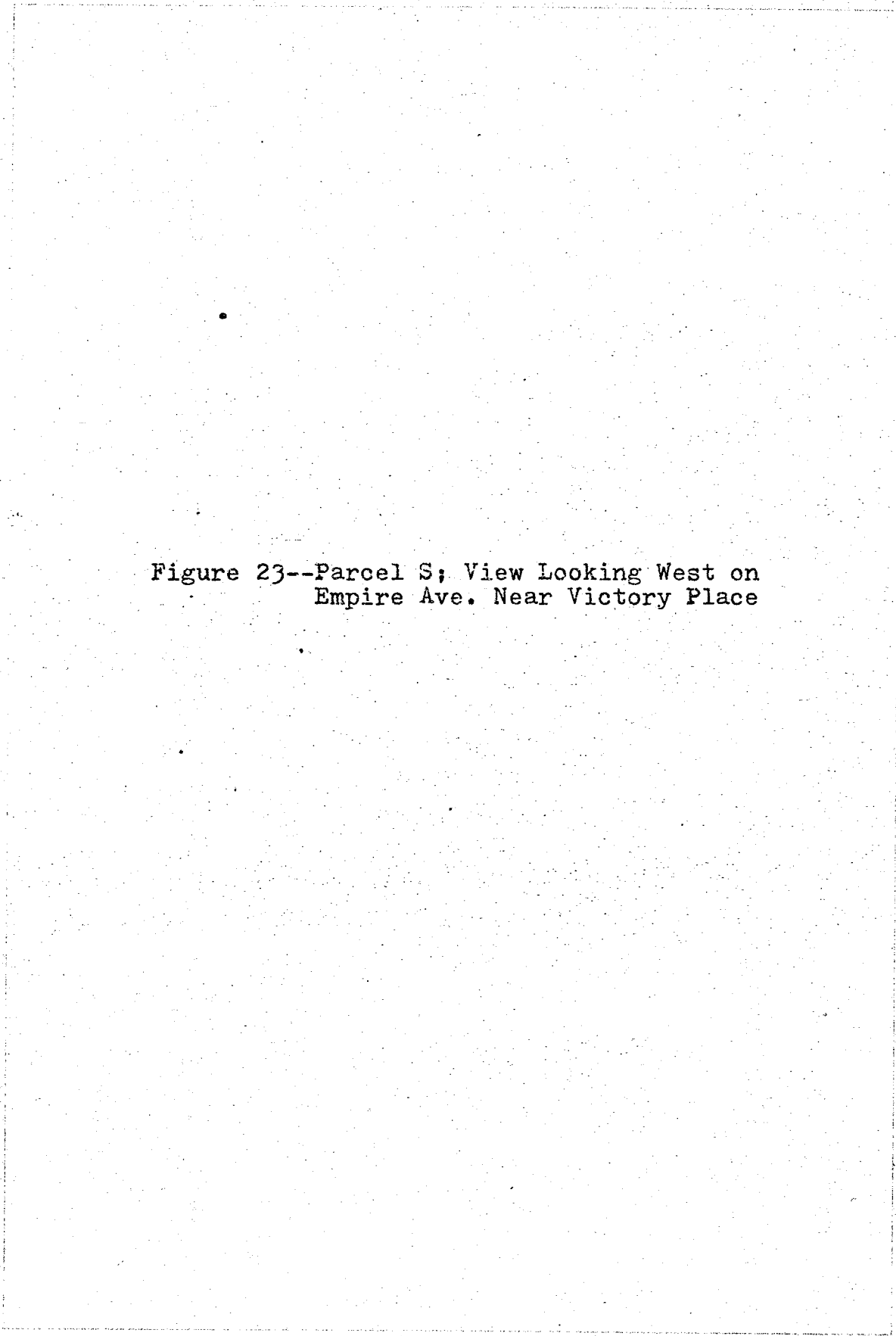


Figure 23--Parcel S; View Looking West on
Empire Ave. Near Victory Place



Figure 24--Parcel S; On Wilson Ave. Near
Empire Ave.



Figure 25--Parcel S; Corner of Empire Ave.
at Wilson Ave.

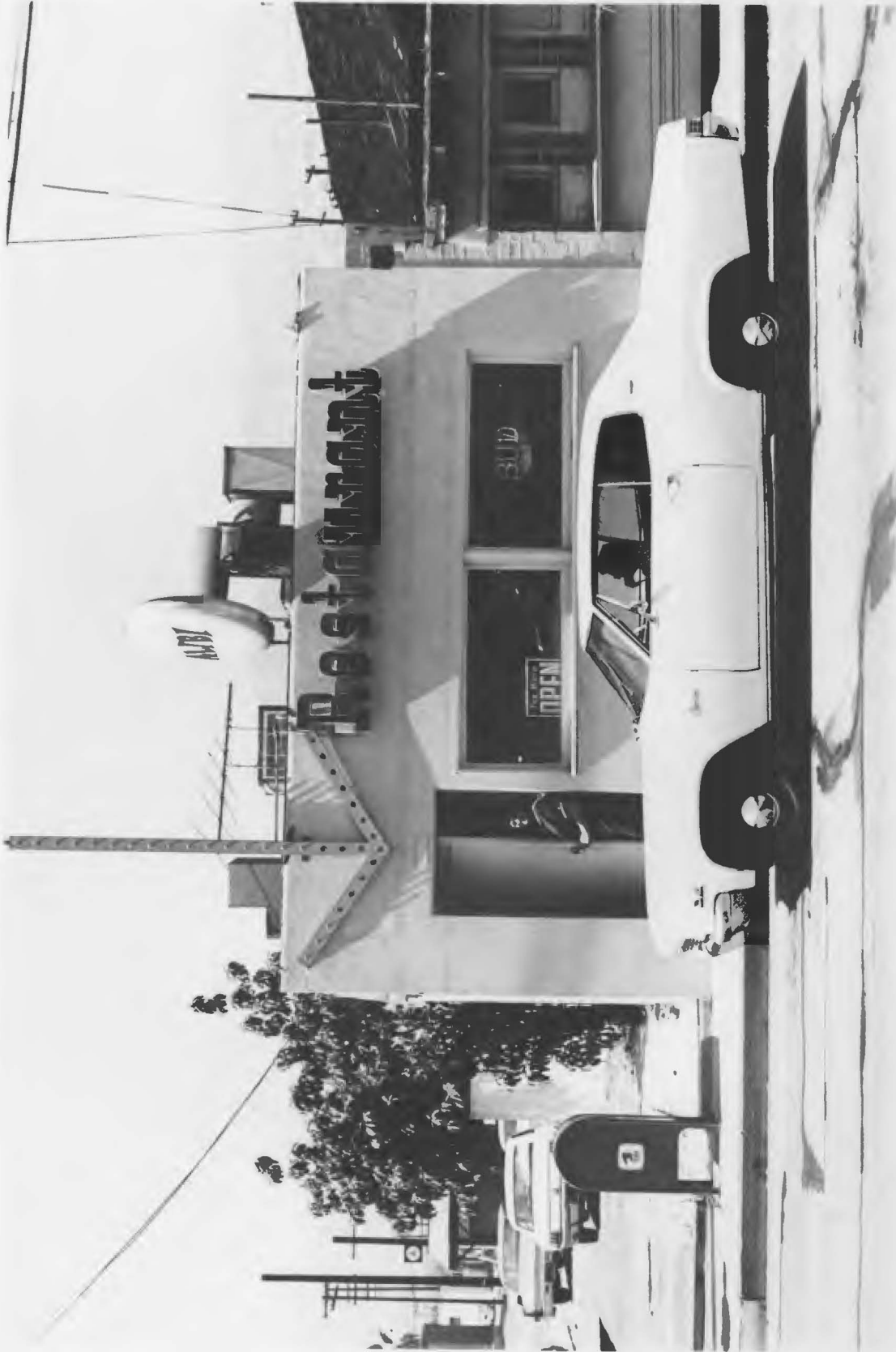


Figure 26--Parcel S; Substandard Dwelling
Modified For Commercial Purposes
(Empire Ave. Near Wilson Ave.)



Figure 27--Parcel S; Rainbow Publications
Headquarters. This one use
replaced the previous uses
occupying the site.



ment effort, and above all it is such factors that will determine the character of a given project.

Economic analysis. As a general rule, the success or failure of a particular redevelopment endeavor will hinge on the total project costs as they relate to the amount of available project funds. In the case of Federal Urban Renewal Projects, a large share of the project costs were funded by the federal government, with the sponsor providing its portion of the project costs from local funds. The advantage to the sponsor, in this case, is that he knows what his share of the project cost will be prior to involvement with a project, and can thereby make provisions for financing his share of that cost.

The sponsor of a non-assisted renewal project, on the other hand, must be doubly sure that the project that is being undertaken is capable of developing sufficient tax increments to pay the entire cost of the project. In the case of Area II, great pains were taken to ensure that a reasonable tax increment would be derived from each development proposal.

At this point, the nature of the developments that have occurred in Area II should be compared in terms of the anticipated tax increments as described previously and the costs involved in making the sites available to developers. Significant factors in this analysis are as follows (figures are cost totals for the sum of the previously mentioned re-use parcels):⁹

Cost of Land and Improvements	\$1,079,075
Demolition and Site Preparation	21,500
Relocation Expenses	266,940
Incidentals (Escrow, Title Insurance, Surveys, etc.)	<u>17,500</u>
Total Gross Expenditures	\$1,385,015
(Less Income from Land Resales	<u>725,815</u>
Total Net Expenditures	\$ 659,200
Anticipated Total Tax Increment	\$ 48,265

On the basis of the above analysis, it is expected that the Agency will have recouped or amortized its investment in the above-discussed properties after a period of approximately fourteen years (this is figured on the basis of the new project cost divided by the anticipated yearly tax increment). Of significance here is the fact that the project is expected to run for a period of 25 years, which is well within the time needed for the Agency to break even on the cost of the project. In addition, the Agency, as well as the City, will enjoy certain spin-off benefits from these new developments, primarily in the form of increased employment opportunities for local residents, significant increases in personal property and inventory taxes as a result of the nature of the new businesses in the area, and the virtually unmeasurable aspect of an improved industrial environment.

What is unique about the application of non-assisted renewal in Burbank is that, in the case of the Golden State

Redevelopment Project, the Burbank Redevelopment Agency has opted to provide an opportunity for small and medium size business and industry to participate in the redevelopment process. Unfortunately, such is not the case with many other similar redevelopment projects. Given limited initial funding such agencies have had to go the route of the "glamour" project, and have attempted to attract the big name development at the expense of established local business and/or industry.

In summarizing the progress of the Golden State Redevelopment Project, typified by Area II, it can be said that the process is working very well and the Burbank Redevelopment Agency is on its way to achieving its project goals. Not only has the Agency managed to eliminate blight and blighting conditions in certain areas within the Project, but it has done so with the support and cooperation of the local community. The Golden State Project is providing local business with new opportunities and at the same time is improving the physical and economic environment in which they do business. Hopefully, such momentum will be maintained and carried throughout the project area.

FOOTNOTES FOR CHAPTER V

1. Redevelopment Agency of the City of Burbank, "Disposition and Development Agreement Between the Redevelopment Agency of the City of Burbank and P.R.D. Industries, Inc., doing business as Compro Manufacturing Company," January, 1974.
2. Redevelopment Agency of the City of Burbank, "Resolution Nos. R-64, R-97, and R-104."
3. Memorandum, George Nony to James A. Algie, re: "Hearing date for D.D.A. between the Agency and William Fisch, et al., dba Accratronics of California," March 22, 1974.
4. Memorandum, George Nony to James A. Algie, re: "D.D.A. between Agency and Frank J. and Samuel J. Cuccinello," February 21, 1975.
5. Memorandum, George Nony to James A. Algie, re: "D.D.A. between Agency and Karl and Sybil Amlauer," March 20, 1975.
6. Memorandum, George Nony to James A. Algie, re: "D.D.A. between the Agency and Continental Empire, a limited partnership," January 24, 1975.
7. Memorandum, George Nony to James A. Algie, re: "D.D.A. between Agency and Louis P. and Adelaide M. Voloz," May 9, 1974.
8. Ibid.
9. Data derived from Property Management Files of Real Estate Division, Public Works Dept., City of Burbank.

CHAPTER VI
SUMMATION AND EVALUATION OF THE
NON-ASSISTED REDEVELOPMENT PROJECT

Summation

Thus far, an attempt has been made to evaluate the concept of the non-assisted renewal project in an industrial context. On the surface the results from such application appear to be encouraging. However, given the high costs of land acquisition and relocation, the applicability of non-assisted renewal is probably going to be limited in most industrial applications. This observation is made on the basis of the fact that most industrial construction is of a very basic nature, and does not return a significant value in relation to site preparation costs. This is witnessed in the fact that the Burbank Redevelopment Agency has had to allow from five to ten years to recoup its costs in making parcels available for development. This is not to say that the money has not been well spent. On the contrary, had the City not taken action, the probable loss in tax revenues over a projected ten year period could, conceivably, have been far greater. Also, consideration has to be given to lost job opportunities, the declining physical environment, and the impact that these might have had on the community in the absence of redevelopment.

Evaluation

The problem then, is not a question of whether redevelopment or urban renewal is worthwhile, but it is more a

matter of what tools are available to a city, such as Burbank, to maintain economic, physical and social vitality. This author is of the opinion that the non-assisted redevelopment project is such a tool, and that it has applications which have yet to be fully utilized. This thesis has been directed at the example of the City of Burbank, which has directed its primary redevelopment efforts at its industrial areas. Other communities have concentrated on projects of a commercial nature, generally in the hopes of establishing major retailing centers within their project areas. The following tables represent comparisons of the various redevelopment agencies in Los Angeles County and the tax increments derived from the various projects therein (see Tables 3 and 4).

From Table 4 it can be noted that a number of projects have received no increment whatsoever. This is due to declining assessed valuations within project areas. Thus pointing up one of the major shortcomings of the tax increment financing method, that is, for a project to be successful more value has to be returned to the project than has been removed. It should also be pointed out that, for the most part, those projects receiving no increment are of a residential nature, whereas those projects with the largest tax increment represent major commercial or industrial undertakings (Table 3). This is not to say that residential renewal projects are not feasible under the tax increment financing method, because new residential properties

TABLE 3
PROJECTS THAT GENERATED
TAX INCREMENTS

COMPARISON OF SELECTED REDEVELOPMENT AGENCIES
IN LOS ANGELES COUNTY BY PROJECT SIZE
ASSESSED VALUATIONS, AND TAX INCREMENTS RECEIVED

Redevelopment Agencies	Project Size In Acres	Base Year	Base Assessed Valuation	Current Assessment Valuation 1973-1974	Dollar Change In Assessed Valuation	% Change In Assessed Valuation	Tax Increment Received 1973-1974
Alhambra	370	1969/70	\$24,467,777	\$ 31,392,424	\$ 7,494,647	30.6	\$ 920,791.96
Burbank Golden State	1,113	1970/71	38,301,775	115,403,880	27,102,105	30.7	2,816,801.02
Carson	635	1971/72	1,712,430	10,251,985	8,539,555	498.7	977,650.51
Cerritos	845	1970/71	4,721,045	22,079,030	17,356,985	367.6	2,048,972.49
Culver City							
a. Project #1	306	1970/71	11,916,389	13,429,547	1,513,158	12.7	183,037.64
b. Project #2	184	1971/72	5,076,770	10,460,400	5,383,684	106.0	640,210.58
Hawthorne	34	1969/70	3,758,107	4,221,695	463,588	12.3	54,069.41
Huntington Park	N/A	1971/72	8,373,961	10,903,793	2,529,832	30.2	278,692.05
Industry	3,200	1971/72	81,077,611	101,473,038	20,395,427	25.1	2,426,351.94
Inglewood							
a. LaCienga	12	1970/71	239,432	1,553,705	1,314,273	548.9	159,947.06
b. In-Town	71	1970/71	5,048,620	6,015,040	966,520	19.1	116,782.39
Long Beach	13	1963/64	1,027,230	1,974,550	947,320	92.2	111,828.38
Los Angeles							
a. Bunker Hill	136	1958/59	6,132,070	50,439,786	44,307,716	722.6	5,722,290.61
b. Little Tokyo	60	1969/70	7,450,005	9,163,415	1,713,410	23.0	214,749.78
c. Monterey Hills	211	1970/71	313,114	336,250	23,136	7.3	2,955.47
d. Normandie	227	1969/70	6,476,409	6,891,283	414,874	6.4	53,615.49
Pasadena							
a. Downtown	340	1970/71	20,967,576	27,578,877	6,611,301	31.5	747,579.75
b. Pepper	102	1963/64	1,467,810	1,550,135	52,325	3.5	10,075.09
San Fernando							
a. Project #1	42	1965/66	2,332,950	3,266,818	933,868	40.0	108,396.43
b. Project #2	46	1971/72	1,796,238	4,377,235	2,580,997	143.7	314,728.07
Santa Fe Springs Flood Ranch	65	1964/65	489,190	1,935,070	1,445,880	295.6	170,205.50
Santa Monica Ocean Park 1-A	20	1959/60	617,740	2,688,800	2,071,060	335.3	208,868.54
West Covina	210	1971/72	11,191,687	11,572,845	381,158	3.4	43,469.97
Total							\$18,332,070.13

Source: Los Angeles County Assessors Office

TABLE 4
PROJECTS THAT DID NOT
GENERATE TAX INCREMENTS

COMPARISON OF SELECTED REDEVELOPMENT AGENCIES
IN LOS ANGELES COUNTY BY PROJECT SIZE
ASSESSED VALUATIONS, AND TAX INCREMENTS RECEIVED

<u>Redevelopment Agencies</u>	<u>Project Size In Acres</u>	<u>Base Year</u>	<u>Base Assessed Valuation</u>	<u>Current Assessment Valuation 1973-1974</u>	<u>Dollar Change In Assessed Valuation</u>	<u>% Change In Assessed Valuation</u>	<u>Tax Increment Received 1973-1974</u>
Bell Gardens	336	1972/73	\$ 6,684,295	\$ 6,021,070	\$ (663,225)	(9.9)	-0-
Los Angeles							
a. Beacon St.	60	1969/70	1,807,800	1,724,751	(83,049)	(4.6)	-0-
b. Hoover	166	1965/66	3,305,215	1,825,136	(1,480,079)	(44.8)	-0-
c. Picc-Union	157	1969/70	8,779,331	7,813,990	(965,341)	(11.0)	-0-
d. Watts	107	1968/69	2,046,385	366,080	(1,680,305)	(82.1)	-0-
Los Angeles County							
Camp Hicks	21	1971/72	76,250	70,505	(5,745)	(7.5)	-0-
Monterey Park	6	1972/73	1,392,510	1,350,290	(42,220)	(3.0)	-0-
Santa Fe Springs	183	1972/73	1,989,750	1,970,965	(18,785)	(0.94)	-0-
Pioneer/Telegraph							
Santa Monica							
Ocean Park #1-B	5	1960/61	2,668,654	1,742,145	(926,509)	(34.7)	-0-
Torrance	54	1966/67	1,026,295	43,550	(982,745)	(95.7)	-0-

Source: Los Angeles County Assessors Office

can yield incremental tax gains as readily as can commercial or industrial improvements. The problem lies in the area of the feasibility of developing new residential units in a particular area since such an undertaking must be approached with extensive financial planning, since consideration must be given to the ability of the prospective residents or tenants to pay the cost of such new housing facilities.¹

The Future of the Non-Assisted Project

The future of the non-assisted project is tied directly to the future of the tax increment financing method. As recently as January, 1974, a report concerning the effect of Community Redevelopment Agencies on county revenues was submitted to the Los Angeles County Board of Supervisors.² The report was submitted in response to a board request for the Chief Administrative Officer to evaluate the effect of tax monies being set aside as tax increments for the numerous separate local redevelopment projects existing in Los Angeles County. The amount of revenues, in the form of tax increments unavailable to the County in 1973 amounted to approximately \$12,900,000.³ In 1974, this amount had grown to over \$18,000,000. The impact of the proliferation of non-assisted projects on the County of Los Angeles is obviously having some effect on the county's revenue base. The 1974 report indicated that there were 44 active Redevelopment Agencies in Los Angeles County, with thirty more in the preliminary development stages.⁴ The prospects, then, are for at least 74 Redevelopment Agencies in Los

Angeles County. It must be pointed out that these redevelopment programs will ultimately result in increased property values and an increased tax base for the local taxing agencies, including Los Angeles County. However, at this point in time, the County is not deriving any direct benefit from the projects, in that special districts and the schools claim to be deprived of significant revenues. The problem is that tax rates are based upon total assessed values, and, when tax dollars go to local Redevelopment Agencies rather than to the taxing jurisdictions, anticipated income is lost and projected spending and programs must be cut-back or otherwise curtailed.

As a result of this impact on local taxing jurisdictions, and the abuse of the Community Redevelopment Law by certain Agencies, the state legislature is considering amendments to the law that will serve to curtail the powers of local agencies in carrying out non-assisted renewal projects.⁵ The most recent example of this is evidenced in the confrontation that took place between Thomas Bradley, Mayor of Los Angeles and Los Angeles City Councilman Ernani Bernardi in the Los Angeles Times over the proposed "Central City Renewal Project." According to the Times "no municipal issue has stirred more controversy recently than the plan newly adopted by the Los Angeles City Council to renovate the downtown area."⁶ The plan was attacked by Bernardi as a scheme to benefit Central City property owners and was endorsed by Mayor Bradley as "an imaginative and necessary

assault on urban blight." The crux of the issue was over the method of financing the project--tax increments! It appears that the debate over the merits of non-assisted redevelopment projects has just begun. It is the feeling of Burbank City officials that the state-law redevelopment process has:

"Been most effective in providing jobs, improved tax base to local government, improved housing, and in this time of economic distress, the shot in the arm necessary for communities to improve their business and industrial (climate)."

Perhaps the last word on this subject should come from the current Mayor of Burbank, William B. Budell, who stated, in a recent letter to State Assemblyman Peter Chacon:

"Redevelopment has had a positive impact on our community. It can be stated unequivocally that without the tool of redevelopment, the City of Burbank would not be in as favorable position as it is today. As the progress of our redevelopment program continues, we firmly believe that the general welfare of the community will continue to improve. Tax increment financing is the instrument through which the purposes of redevelopment are accomplished. To restrict this vital element of the process will severely limit the social, environmental, and financial progress which can be made. The City of Burbank cannot afford to pay the price of bringing redevelopment to a standstill."

FOOTNOTES FOR CHAPTER VI

1. California, Dept. of Housing and Community Development, Div. of Research and Assistance, "Tax Increment Financial and Residential Development," July, 1973.
2. County of Los Angeles, Chief Administrative Officer, "Effect of Community Redevelopment Agencies on General County Revenues," January 15, 1974.
3. Ibid., p. 6 (Based on Twenty-Four Selected Redevelopment Projects).
4. Ibid., p. 3.
5. The cities of Brea and Industry are sometimes pointed out as examples of stretching the intent of the community redevelopment law. In Brea an area of agriculturally zoned land was formed into a project in advance of a major shopping center being built. In the case of the City of Industry, the entire city was declared a project area. Further examples of abuses, as well as successful applications of the community redevelopment law can be found in "Redevelopment Hearings of the Senate Local Government Committee," California State Legislature (November, 1974).
6. "Debate Over the Central City Project," Los Angeles Times, Part VI, p. 5 (Sunday, Oct. 12, 1975).
7. Letter from former Mayor Vincent Stefano to State Senator Milton Marks, Senate Committee on Local Government, March 11, 1975.
8. Letter from Mayor William B. Rudell to State Assemblyman Peter R. Chacon, Assembly Committee on Housing and Community Development, December 17, 1975.

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APPENDIX A

A blighted area can be characterized by the following conditions as outlined in Sections 33031-33034 of the Community Redevelopment Law:

"...by the existence of buildings and structures, used or intended to be used for living, commercial industrial, or other purposes, or any combination of such uses, which are unfit or unsafe to occupy for such purposes and are conducive to ill health, delinquency and crime because of any one or a combination of the following factors:

- (a) Defective design and character of physical construction.
- (b) Faulty interior arrangement and exterior spacing.
- (c) High density of population and overcrowding.
- (d) Inadequate provisions for ventilation, light, sanitation, open spaces, and recreation facilities.
- (e) Age, obsolescence, deterioration, dilapidation, mixed character, or shifting of uses."

An area can also be considered blighted if it is characterized by:

- "(a) An economic dislocation, deterioration, or disuse, resulting from faulty planning.
- (b) The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.
- (c) The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.
- (d) The existence of inadequate streets, open spaces, and utilities.
- (e) The existence of lots or other areas which are subject to being submerged by water."

In addition the law considers an area blighted if it "... is characterized by a prevalence of depreciated values, impaired investments, and social and economic maladjust-

ment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered."

Blighted areas can be further characterized by the following:

" (a) In some parts of the blighted area, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare.

(b) In other parts of the blighted area, a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs of the taxpayer for the creation of new public facilities and services elsewhere."

In its declaration of policy in regard to the above, the State Legislature has determined that:

" (a) The existence of blighted areas characterized by any or all of such conditions constitutes a serious and growing menace which is condemned as injurious and inimical to the public health, safety, and welfare of the people of the communities in which they exist and of the people of the State (of California).

(b) Such blighted areas present difficulties and handicaps which are beyond remedy and control solely by regulatory processes in the exercise of police power.

(c) They contribute substantially and increasingly to the problems of, and necessitate excessive and disproportionate expenditures for, crime prevention, correction, prosecution, and punishment, the treatment of juvenile delinquency, the preservation of the public health and safety, and the maintaining of adequate police, fire, and accident protection and other public services and facilities.

(d) This menace is becoming increasingly direct and substantial in its significance and effect.

(e) The benefits which will result from the remedying of such conditions and the redevelopment of blighted areas will accrue to all the

inhabitants and property owners of the communities in which they exist."

Also:

" (a) Such conditions of blight tend to further obsolescence, deterioration, and disuse because of the lack of incentive to the individual landowner and his inability to improve, modernize, or rehabilitate his property while the condition of the neighboring properties remains unchanged.

(b) As a consequence, the process of deterioration of a blighted area frequently cannot be halted or corrected except by redeveloping the entire area, or substantial portions of it.

(c) Such conditions of blight are chiefly found in areas subdivided into small parcels, held in divided and widely scattered ownerships, frequently under defective titles, and in many such instances the private assembly of the land in blighted areas for redevelopment is so difficult and costly that it is uneconomical and as a practical matter impossible for owners to undertake because of lack of the legal power and excessive costs.

(d) The remedying of such conditions may require the public acquisition at fair prices of adequate areas, the clearance of the area through demolition of existing obsolete, inadequate, unsafe, and unsanitary buildings, and the redevelopment of the area suffering from such conditions under proper supervisions, with appropriate planning and continuing land use and construction policies."

And that:

"...for these reasons it is declared to be the policy of the State:

(a) To protect and promote the sound development of blighted areas and the general welfare of the inhabitants of the communities in which they exist by remedying such injurious conditions through the employment of all appropriate means,

(b) That whenever the redevelopment of blighted areas cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land, in planning and in the financing of land assembly, in the work of clearance, and in the making of improvements necessary therefore, it is in the public interest to employ the power of eminent domain,

to advance or expand public funds for these purposes, and to provide a means by which blighted areas may be redeveloped or rehabilitated.

(c) That the redevelopment of blighted areas and the provisions for appropriate continuing land use and construction policies in them constitute public uses and purposes for which public money may be advanced or expended and private property acquired, and are governmental functions of state concern in the interest of health, safety, and welfare of the people of the State and of the communities in which the areas exist.

(d) That the necessity in the public interest for the provisions of this part is declared to be a matter of legislative determination.

APPENDIX B

Major Exterior Structural Elements

Roof

Major Defect--sags; excessive truss deflection, holes, worn, rotted, or missing material over large area of roof; inadequate original construction.

Minor Defect--less critical sag or weakening of roof structure; holes, worn, rotted, or missing material over a small area of roof.

Walls

Major Defect--walls cracked, bowed or out of plumb; walls exhibiting excessive weakening or settlement; large area of walls with holes and/or worn; rotted or missing material.

Foundation

Major Defect--foundation walls, cracked, sagged, bowed or out of plumb; holes, worn, rotted, or missing material over a large area of the foundation walls; lack of proper foundation.

Minor Defect--Less critical weakening of the foundation; holes, cracks, worn, rotted, or missing material over a small area of the foundation walls.

Minor Exterior Structural Elements

Windows and Doors

Defects--loose, worn, or rotted frames and sills; frames and sills out of plumb or separated from wall; broken or missing panes.

Walls and Trim

Defects--painting and minor repairs needed; makeshift repairs, weathering.

Entrances

Defects--patching and minor repairs, doors broken and makeshift repairs; doors missing.

Exterior Stairs, Porches, Fire Escapes

Defects--painting and minor repairs required; loose, damaged, or missing members; treads, risers, or flooring missing; makeshift repairs, steep or hazardous.

APPENDIX C

Excerpts from a letter by Mr. Joseph N. Baker, Burbank City Manager, concerning "Redevelopment Agency and Parking Authority," March 16, 1970.

"The citizens of Burbank must realize that the City is growing older and must come to grips with the problems resulting from the aging process. In today's technological society, obsolescence cannot be tolerated if survival is to be accomplished. What then, can the City of Burbank do to help resolve long range industrial growth problems and at the same time maintain the balance and the qualities that make living in Burbank a worthwhile experience? This matter has been of concern to the community for at least five years. The initiation of the General Plan Study was a first step toward looking to the future. More recently, the Economic Base Study of the City established a firm foundation on which to proceed with action programs. Reference is therefore made to the General Plan of the City, adopted in 1965 and the Phase I Economic Analysis of the City of Burbank, recently completed.

"The General Plan states the City's Industrial Objective as follows: 'It is the intent of the Plan to provide for a variety and range of industrial sites so that it is economically feasible to manufacture and provide goods, services and employment in areas that are attractive, convenient and safe; on land suitably located so that industrial growth can continue to the benefit of both industry and the community.'

"Policies as set forth are to: 'Encourage and promote Burbank as a regional industrial area and as an important employment center within the region; prevent the intrusion of all incompatible uses which would reduce the efficiency of the industries and their opportunities for growth and expansion; encourage the relocation of existing conflicting uses which are scattered through the industrial areas; encourage and promote the general and visual improvement of the industrial areas so that they contribute to the betterment of the environmental atmosphere of the City at large.'

"The Economic Base Study report says... 'there is sufficient market demand for the absorption of 50-60 industrial acres per year within the City of Burbank between now and 1975. This demand stems from existing manufacturing firms and also companies which would enter from outside the City. If additional land is not made available for the more rapidly growing industrial firms, we believe there will be significant industrial exodus from the City of Burbank to the outlying areas of Los Angeles County, such as has been evident in Pasadena and other older areas.

"The City of Burbank has sufficient market demand to increase and/or improve its commercial, industrial and residential base. The City is currently lacking the administrative vehicle to coordinate the financing, feasibility analysis and development of projects which would affect consistent and meaningful change in these sectors. To this end, it is recommended that the City of Burbank create a community redevelopment agency which would have the capacity to initiate specific renewal projects.'

"To this point, emphasis has been placed primarily upon the industrial sector of the community. It is apparent that similar conditions exist with respect to the City's commercial and multiple residential districts. In their Phase I Report, Development Research Associates tells us 'The City of Burbank currently has opportunities for commercial expansion in the form of a major department store, a hotel-motel, and possibly convention facilities, a commercial office park, and through the upgrading of existing facilities. All of these projects, we believe, will require some form of community action.'

"Several large corporations have appealed to the City as well as the City Council concerning their various problems. Private enterprise has for years been frustrated by its inability to reverse the trends toward obsolescence and deterioration. Although it does not lack the resources, it does lack the legal authority necessary to complete redevelopment programs. This authority, however, can be vested in the City by taking advantage of provisions of the Community Redevelopment Law contained in Part I of Division 24, Health and Safety Code of the State of California.

"Because of these facts, it is recommended that

the City Council adopt an ordinance declaring the need for a Redevelopment Agency in the City of Burbank and further declaring the City Council to be the Agency as outlined in the report of the City Attorney.

.....

"If these steps are taken, the administration would be in a position to submit to the City Council proposals for the establishment of redevelopment areas. If the City Council determines that such areas are feasible, the matter would then be referred to the City Planning Board for review and recommendation.

"In all probability the initial project would be directed toward commercial or industrial areas. It is difficult at this time to establish a specific timetable since it is necessary for the City Council and the Planning Board to make specific findings on each step of the redevelopment process. However, once the initial step is taken the City Council may rest assured that every effort will be made to move expeditiously to implement their actions.

.....

"The City of Burbank is a fine place in which to live, work, and play. Portions of the City are beginning to show signs of age with the attendant sign of deterioration and blight. The City has no room in which to expand and must therefore make better use of the land within its boundaries. Renewing, remodeling, redesigning, redeveloping, reshaping, restructuring, rejuvenating are the ways Burbank can continue to grow within its present boundaries and at the same time preserve the amenities currently enjoyed by the citizenry. The Redevelopment Agency (and the Parking Authority) are the tools which make it practical to accomplish the above. The alternative is festering old age, loss of industry and commerce, loss of revenue, and spread of blight.

"It is hoped the City Council, after thorough study and analysis, will act to effectuate the above."