



Bob Hope Airport Replacement Terminal Conceptual Term Sheet

Endorsed:

Burbank City Council: _____, 2015

Burbank-Glendale-Pasadena
Airport Authority Commission: _____, 2015

The City and the Authority acknowledge and agree that the concepts in this document will need to be memorialized in formal legal documents. CEQA analysis of this project will need to be completed. After all of that is completed, both the Authority and the City, in their absolute discretion, will need to act before the proposal is presented to the Burbank voters for the final approval.

SUMMARY

1. The Authority will receive a vested right to build a Replacement Terminal on any Airport zoned property other than the B-6 Trust Property ("Opportunity Site"). The basic characteristics of the Replacement Terminal are set forth in Exhibit A ("Replacement Terminal Characteristics").
2. The City of Burbank and its residents will receive protections as set forth in Exhibit B ("Burbank Protections"). The Burbank Protections will be guaranteed by a JPA amendment executed by the Cities of Burbank, Glendale, and Pasadena.
3. The Authority will receive protections as set forth in Exhibit C ("Authority Protections"). As applicable, the Authority Protections will be guaranteed by the following: (i) a JPA amendment executed by the Cities of Burbank, Glendale and Pasadena; (ii) a new Development Agreement executed by the City of Burbank and the Authority; (iii) modification of the B-6 Adjacent Property easement and modification of the City's PUC Plan restrictions to allow development on the B-6 Adjacent Property; and (iv) termination of the B-6 Adjacent Property easement once construction begins.
4. The Burbank Protections and the Authority Protections will start at the same time (following approval by the voters and the conclusion of any legal challenges against the election results) and will be effective no matter where or when the Replacement Terminal is built.
5. The Authority will continue to support legislation that authorizes imposition of the mandatory curfew that the Authority sought in its Part 161 application as set forth in Exhibit D ("Curfew"), including legislation that provides for civil penalties for violations of the Curfew that are reasonably higher (adjusted for inflation) than those sought in the Part 161 application. Authority and Burbank officials, together with Representative Schiff (if available), will jointly meet with FAA in Washington D.C. as soon as possible to discuss a mandatory curfew and the elements of this proposal. Implementing a mandatory curfew, however, will not be a prerequisite for the Replacement Terminal.

EXHIBIT A
Replacement Terminal Characteristics

The Replacement Terminal may be located on the B-6 Adjacent Property or on any other Airport zoned property except the B-6 Trust Property. No matter the location where it is built, the Replacement Terminal shall have the following basic characteristics:

1. Total number of aircraft parking gates will not exceed the current number of 14.
2. Size of replacement terminal building shall be no less than 232,000 square feet nor greater than 355,000 square feet.
3. Total public parking spaces (excludes employee parking spaces) shall not exceed 6,637.
4. Upon the opening of the Replacement Terminal, the current passenger terminal will be closed and demolished.

EXHIBIT B
Protections for Burbank

The Cities of Burbank, Glendale, and Pasadena will execute a JPA amendment so that a supermajority vote of the Commission will be required for any of the following actions:

1. Any increase in the number of commercial airline passenger gates above 14 or creation, construction or approval of any remote parking positions for air carrier aircraft. This protection will be implemented by including in the airline use agreements the requirement of supermajority approval for any remote loading of aircraft for scheduled air carrier departures.
2. Any expansion of the existing terminal, any new terminal (except the Replacement Terminal), any expansion of the Replacement Terminal (beyond the parameters set forth in Exhibit A), or any relocation of airline passenger related airport functions from the Replacement Terminal.
3. Amendment in the manner in which the Authority's noise rules have been enforced since the adoption and implementation of ANCA except to implement the mandatory curfew sought in the Authority's Part 161 application.
4. Amendment to the Authority's voluntary curfew or the manner in which it has been applied since the adoption and implementation of ANCA except to implement the mandatory curfew sought in the Authority's Part 161 application.
5. Abandonment of the Authority's support for congressional authorization for the imposition of the mandatory curfew sought in the Authority's Part 161 application.
6. Acquisition of real property other than aviation easements.
7. Approval of an airport management contract or lease with a maximum term in excess of 35 years.

In the event that any supermajority vote requirement or actual vote has been identified by the FAA Administrator or Associate Administrator (whether through a written letter, determination or order) or by a court (whether through an order, ruling or judgment) as violating the law or a federal grant assurance, the Authority shall comply with such letter, determination or order until such letter, determination or order is enjoined, overturned or reversed by a court, provided that the Authority: (i) promptly informs the City and the Member of Congress representing Burbank of such FAA action (ii) attempts in good faith to resolve the FAA concerns in close coordination with the City and the Member of Congress; and (iii) commences a legal challenge to any such action by the FAA within 45 days of receipt of a letter, determination or order. Likewise, the Authority commits to litigate against any other third party who seeks to challenge in court the

supermajority requirements or an actual vote as violation of the law or grant assurance. The Authority commits to such litigation until it prevails or otherwise exhausts its appellate rights.

Notwithstanding the above, following the opening and operation of the Replacement Terminal, the Authority shall abide by any supermajority vote requirement or actual vote pertaining to any increase in airline passenger gates above 14, or remote parking positions for loading of aircraft for scheduled air carrier departures or increase of the Replacement Terminal beyond 355,000 square feet unless and until such requirement or vote has been determined by the FAA or a court through order, injunction, ruling or judgment to violate the law or a grant assurance. The Authority, in this situation, commits to commence litigation against the FAA and/or any other third party who seeks to challenge the supermajority requirement until the Authority prevails or otherwise exhausts its appellate rights.

These JPA amendments are enforceable by, or may be defended by, any of the three cities, as well as the Authority. All three cities are third party beneficiaries of these amendments and the Authority acknowledges that any of the cities is a third party beneficiary with respect to standing in any such litigation.

EXHIBIT C
Protections for the Airport Authority

The City of Burbank will provide the Authority with the following protections:

1. All discretionary and ministerial City of Burbank approvals required for the Replacement Terminal including debt authorization and (if applicable) PUC approval and modification and termination of easement restrictions as stated above.
2. A vested right to the development of a Replacement Terminal on any Airport zoned property other than the B-6 Trust Property.
3. Delegation to City of Glendale or City of Pasadena of the City of Burbank's building official powers for the Replacement Terminal. This delegation will cover the City of Burbank's ministerial authority to apply and enforce the State Building Standards Code, as amended/adopted by the City of Burbank, with respect to the Replacement Terminal.

EXHIBIT D
Part 161 Curfew Language

1. Except as provided in Paragraphs (2) and (3), between the hours of 10:00 p.m. and 6:59 a.m.:
 - a. No landings at Bob Hope Airport shall be permitted.
 - b. No takeoffs from Bob Hope Airport shall be permitted.
2. The following aircraft shall be permitted to land at or takeoff from Bob Hope Airport between the hours of 10:00 p.m. and 6:59 a.m.:
 - a. Law enforcement aircraft, firefighting aircraft, disaster relief aircraft and military aircraft.
 - b. Medical flight aircraft engaged in active emergency operations for the transportation of patients or human organs.
3. Aircraft other than those specified in Paragraph (2) shall be permitted to land at or takeoff from Bob Hope Airport between the hours of 10:00 p.m. and 6:59 a.m. only under the following circumstances:
 - a. In the event such landing or takeoff results from the existence of a declared emergency.
 - b. In the event such landing or takeoff results from the use of Bob Hope Airport as weather alternate.
 - c. In the event such landing or takeoff results from a weather, mechanical, or air traffic control delay; provided, however, this exception shall not authorize any landing or takeoff between the hours of 11:00 p.m. and 6:59 a.m.
4. Upon request of the Authority, the aircraft operator shall document or demonstrate: (i) the precise emergency condition(s) resulting in a landing or takeoff between the hours of 10:00 p.m. and 6:59 a.m.; or (ii) the precise weather, mechanical, or air traffic control condition(s) resulting in a landing or takeoff between the hours of 10:00 p.m. and 11:00 p.m.
5. Any aircraft operator violating the provisions of this Rule shall, in addition to any other available remedies (including injunctive remedies), be subject to civil penalties for each unauthorized landing and unauthorized takeoff as follows:

- a. For the first violation within a 12-month period – Three Thousand Six Hundred Seventy-One Dollars (\$3,671)
- b. For second violation within a 12-month period – Seven Thousand Three Hundred Forty-Two Dollars (\$7,342)
- c. For the third violation within a 12-month period – Eleven Thousand Thirteen Dollars (\$11,013)
- d. For the fourth violation within a 12-month period – Fourteen Thousand Six Hundred Eighty-Four Dollars (\$14,684) and action to ban the aircraft operator's access or terminate lease at Bob Hope Airport for a twelve (12) month period.