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November 4, 2002

Marion C. Blakey
Administrator
Federal Aviation Administration
800 Independence Avenue, S.W.
Washington, D.C. 20591

Dear Administrator Blakey:

On behalf of the Burbank-Glendale-Pasadena Airport Authority, I want to take this opportunity to give you an update on the status of the proposed relocation of the airport's passenger terminal due to that facility's proximity to the runways. As the FAA has noted in the past, certain portions of the terminal building are as close as 300 feet to the centerline of Runway 8/26, and the entire structure is well within the 750-foot Building Restriction Line. Achieving a relocation of the terminal has been a high priority of the FAA, and our two agencies have worked together for several decades to achieve that goal.

In recognition of the importance of the terminal project, former Administrator Garvey came to Burbank in 1998 and conferred at length with local community and political representatives. While voicing strong support for the terminal, Administrator Garvey also emphasized that the FAA had a strong preference for local solutions to aviation facility issues that the FAA could support.

I write you at this time because the Authority has reached the point where it believes the terminal relocation no longer appears to be achievable. As discussed below, the Authority wishes to determine what priority the FAA assigns to terminal relocation at Burbank. We also wish to initiate dialogue on how the Airport and the agency can cooperatively develop a course of action that recognizes the lack of consensus that will indefinitely plague this project.

Pending consideration of any comments you might have, our current plan is to issue an announcement soon after the first of the year that the Authority will cease its efforts to pursue terminal relocation at the Burbank Airport.

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Let me briefly summarize the developments that lead the Authority to its conclusion.

Our most recent attempt to relocate the terminal culminated with the Airport Authority's acquisition in 1999 of 130 acres of Lockheed land immediately adjacent to the airport that was identified in the FAA's Environmental Impact Statement as the preferred site for the terminal. The FAA certified the EIS in 1996 and awarded a total of \$42 million in grants toward the purchase price for the property. The permission to use that property lies entirely within the purview of the City of Burbank, under provisions of the California Public Utilities Code that require approval of a host city before an airport may acquire land.

The Authority's attempts to overturn these restrictive provisions in California state court were unsuccessful, and in November 1999, the Authority and the City of Burbank entered into an agreement to place the property in a trust, pending receipt of City approval for the land acquisition. To date, the approval of the land acquisition and the terminal project have remained beyond our reach due to community concerns. These concerns have given rise to demands for day and nighttime restrictions on aircraft operations as well as financial contributions designed to mitigate potential adverse impacts from future airport operations.

Developments over the past three years have continually diminished the prospects of reaching local consensus that will permit the terminal project to move forward. The Authority and the City came very close to an agreement in 1999, proposing an approach that would avoid the formality of an aircraft curfew, and the requirement for an attendant Part 161 Study, by closing the passenger terminal at night between 11 p.m. and 6 a.m. However, the FAA's chief counsel opined that this, too, would require a Part 161 Study, and a final agreement was never reached.

Since that time, the ability to develop and achieve feasible local solutions has been constrained by two votes of Burbank citizens. Measure B, passed in 2000, requires that the voters of Burbank approve any airport land acquisition and any agreement for a new terminal between the City and the Authority before it becomes binding. Measure A, passed in 2001, imposed numerous other preconditions, including a curfew, and passenger and flight limitations, before a project was permitted. Measure A was subsequently overturned in court, but the sentiment of the voters who supported it remains. Most recently, the City Council appointed an advisory committee to study airport issues in hopes of identifying conditions helpful to the Council in its deliberations on the terminal relocation issue. The committee's report, released in October, recommended anew that daytime and nighttime operating limitations be imposed on the Airport before any replacement terminal is allowed.

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A key point raised in the community, and reiterated in the fall advisory committee report, is that the safety considerations that have motivated the FAA and the Authority to seek the terminal relocation are desirable, but not compelling. In short, they do not outweigh the future noise impacts of more aircraft flights that are perceived as being induced by a replacement terminal. This perspective has been bolstered by court testimony and public statements by FAA representatives that the current terminal is safe and that its relocation is merely intended to enhance safety.

There is now a lengthy litany of factors – a state law requiring City approval for land acquisition; voter sentiment opposing the project unless daytime and nighttime flight restrictions are approved; a voter approval requirement for the terminal relocation project; and a requirement for a new EIR – which, when coupled with the questionable economic status of the airlines, place difficult and perhaps insurmountable obstacles in the path of a terminal relocation at Burbank.

This situation has led the Authority to conclude that a local consensus on the terminal relocation project is unachievable. At the local level, the issue remains deadlocked in numerous conflicts that hold no promise of resolution. The Authority has had to acknowledge that it has no ability to effectuate resolution. It is also not clear at this point whether the Federal Aviation Administration can or wishes to do so either. In the absence of a more compelling rationale or safety directive from the FAA than the agency has been able to offer previously, it appears that the prospect for consensus is extremely remote. It may well be that the only alternative open to the Authority is to permanently remain in the current terminal building.

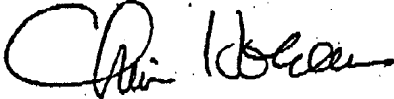
My purpose with this letter is to advise you of this assessment by the Authority and to seek agency input at this juncture. Clearly, the Authority has been reluctant to contemplate this turn of events. However, soon after the first of the year the Authority will have to consider whether to announce publicly that it will not and cannot actively pursue a replacement terminal project unless there is impetus from others. The FAA's position on this impasse would significantly affect the Authority's determination of the appropriate course of action.

Our dilemma is not only that we have failed to reach consensus thus far, but that keeping the façade of a possible project, when there is no sense that agreement is achievable, is more than counterproductive; it is disruptive to the Authority, the local community, and to local community leaders whose longstanding efforts to achieve safety improvements have been met with strident opposition. Debate over this project tears at the fabric of this community.

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We would look forward to the agency's perspective on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Holden". The signature is written in a cursive style with a large initial "C".

Chris Holden
President

cc: Woodie Woodward
Kate Lang
Herman Bliss