

RESOLUTION NO. 28091

WHEREAS, on recommendation of Management, there was presented for approval, sixty (60)-month Lease with United Airlines Inc. covering office space in the Los Angeles World Airports-owned Skyview Center located at 6033 West Century Boulevard; and appropriation of \$38,011.71 for broker commissions and \$36,160 for tenant improvements; and

WHEREAS, Los Angeles World Airports (LAWA) purchased the two-building Skyview Center (Skyview) office complex in 2013. At Skyview, LAWA currently occupies 137,733 square feet, and there will be 25,924 square feet of remaining office space available for lease to the public once additional LAWA staff relocate there. LAWA and Colliers International Real Estate Management Services Inc. (Colliers), under its property management and leasing agreement with LAWA, are actively marketing the remaining units to prospective tenants; and

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Chief Executive Officer

WHEREAS, United Airlines Inc. (United) has been at Skyview since 2013 and has been on holdover status since March 1, 2022. More time was needed during negotiations for United to determine the future size of its operations at Skyview post-COVID; and

WHEREAS, United ultimately decided to downsize their operations at Skyview, and LAWA identified a smaller suite that can accommodate United's request. Colliers and LAWA staff then negotiated the terms of the lease with United that include a rental rate of \$2.75 per square foot with 3% annual increases. The terms of said rate were negotiated based on the tenant, size and condition of the office space, and market conditions; and

WHEREAS, in accordance with LAWA's leasing incentives, the lease provides a tenant improvement allowance of \$36,160, which is the equivalent of \$10 per square foot, to update the new suite into which United will move. No rental abatement was negotiated; and

WHEREAS, funds of \$38,011.71 and \$36,160 will be appropriated for broker commissions and tenant improvements, respectively, as approved in the property management and leasing agreement with Colliers at Aviation Plaza and Skyview; and

WHEREAS, the lease will generate \$559,357 of revenue to LAWA over the 60-month term after broker commissions and tenant improvements are deducted; and

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; further adopted staff's determination that this item, involving issuance of permits, leases, agreements, berth and space assignments, and renewals, amendments, or extensions thereof, or other entitlements granting use of existing airport facilities and office space, or its operations, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article III, Class 1 (18)(c) and (e) of the Los Angeles City CEQA Guidelines, and that interior or exterior alterations involving remodeling or minor construction where there be negligible or no expansion of use is exempt from CEQA requirements pursuant to Article III, Class 1 (1) of the Los Angeles City CEQA Guidelines; approved the sixty (60)-month Lease with United Airlines Inc. covering office space in the Los Angeles World Airports-owned Skyview Center located at 6033 West Century Boulevard; further approved execution of said Lease with United Airlines Inc.



subject to approval as to form by the City Attorney; and further approved appropriation of \$38,011.71 for broker commissions and \$36,160 for tenant improvements.

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I hereby certify that this Resolution No. 28091 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, January 16, 2025.

A handwritten signature in blue ink, appearing to read "Grace Miguel", is positioned above the printed name.

Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS