

ADMINISTRATIVE AND CATEGORICAL EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to a proposed Third Amendment to Terminal Facilities Lease and License Agreement No. LAA-8965 between Los Angeles World Airports (LAWA) and Air Canada to provide rent credits for baggage claim system operation and maintenance by common use airlines located at Terminal 6 in Los Angeles International Airport (LAX).

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Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that the proposed action is administratively and categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2(f) and Article III, Class 1(18)(c) of the City of Los Angeles CEQA Guidelines.
2. APPROVE the Third Amendment to Terminal Facilities Lease and License Agreement No. LAA-8965 with Air Canada covering space in Terminal 6 at LAX, to provide rent credits not to exceed \$154,000 for costs associated with use of the baggage system by common use airlines located in said terminal, to add language to update the lease provisions that govern use of preferential use gates; and, to extend the term through December 31, 2027, to be co-terminus with the Alaska Airlines lease.
3. CONCUR with the Board's action on June 15, 2023, by Resolution No. 27760, authorizing the Chief Executive Officer, LAWA, or designee, to execute a Third Amendment to Terminal Facilities Lease and License Agreement No. LAA-8965 with Air Canada.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Third Amendment to Terminal Facilities Lease and License Agreement LAA-8965 with Air Canada covering space in Terminal 6 at LAX and adding language to update the lease provisions that regulate the use of preferential use gates will have no impact on the City's General Fund. Execution of the proposed Agreement will result in LAWA collecting common use fees from common use airlines, which will be subsequently redistributed in the form of rent credits to Air Canada, for an amount not-to-exceed \$154,000. The actions of the proposed Third Amendment comply with LAWA's adopted Financial Policies.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - FEBRUARY 7, 2024
(LAST DAY FOR COUNCIL ACTION - FEBRUARY 7, 2024)**

SUMMARY

At a regular meeting held on January 16, 2024, your Trade, Travel And Tourism Committee considered Board of Airport Commissioners transmittals dated July 10, 2023 relative to a proposed Third Amendment to Terminal Facilities Lease and License Agreement No. LAA-8965 between LAWA and Air Canada to provide rent credits for operation and maintenance of a leased baggage claim system by common use airlines located in Terminal 6.

After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the Board report dated July 10, 2023, as detailed above. This matter is now forwarded to the Council for consideration.

Respectfully submitted,

TRADE, TRAVEL AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARK	YES
McOSKER	YES
SOTO-MARTINEZ	YES

CGR 20-0439-S1_rpt_ttt_1-16-2024

– NOT OFFICIAL UNTIL COUNCIL ACTS –