

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to a Third Amendment for the Amended and Restated Premier Passenger Lounge Space Lease LAA-8753 with Korean Air Lines Co., for a passenger lounge in the Tom Bradley International Terminal, at Los Angeles International Airport (LAX).

Recommendations for Council action:

1. CONCUR with the Board of Airport Commissioners' (BOAC) adoption of the determination that the action is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article III, Class 1 (18)(c) of the Los Angeles City CEQA Guidelines.
2. APPROVE Los Angeles World Airports (LAWA) Resolution No. 28041 authorizing a proposed Third Amendment to the Amended and Restated Premier Passenger Lounge Space Lease to LAA-8753 with Korean Air Lines Co. for additional lounge space in the Tom Bradley International Terminal at LAX that will extend the term of the lease by five years, from January 1, 2029 through December 31, 2033, and generate revenues of approximately \$5,800,000 during the first year of the extended period, and an estimated \$59,584,548 over the total term.
3. CONCUR with the BOAC's action on August 15, 2024, by Resolution No. 28041, authorizing the LAWA Chief Executive Officer, or designee, to execute the proposed Amendment.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Amendment will have no impact on the City's General Fund. The proposed Amendment between LAWA and Korean Air will extend the current term from January 1, 2029 to December 31, 2033 to provide additional time for Korean Air to complete a full refurbishment and renovation of the passenger lounge space in the TBIT, and allows for this investment to fully amortize. Revenues collected during the lease term will be remitted to the LAWA Operating Revenue Fund and are estimated at \$5,800,792 in the first year of the extension, and an estimated \$59,584,548 over the total contract term, excluding annual base rate rent adjustments or additional percentage rent triggered by other services. These actions comply with LAWA's adopted Financial Policies.

Community Impact Statement: None submitted

**TIME LIMIT FILE - FEBRUARY 13, 2025**

**(LAST DAY FOR COUNCIL ACTION - FEBRUARY 12, 2025)**

## SUMMARY

At the meeting held on January 28, 2025 your Trade, Travel and Tourism Committee considered a BOAC report and Board Resolution 28041 authorizing execution of a Third Amendment for the Amended and Restated Premier Passenger Lounge Space Lease LAA-8753 with Korean Air Lines Co., for a passenger lounge in the Tom Bradley International Terminal, at LAX; and categorical exemption under CEQA pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.

After an opportunity for public comment, the Committee moved to approve the recommendations stated in the BOAC report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,  
TRADE, TRAVEL, AND TOURISM COMMITTEE

<u>Member</u>	<u>VOTE</u>
PARK:	YES
McOSKER:	YES
RODRIGUEZ:	ABSENT

MM 1-28-25 CF 13-0039-S2

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**