

ADMINISTRATIVE AND CATEGORICAL EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to a proposed Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8757 between Los Angeles World Airports (LAWA) and Southwest Airlines Company (SWA) to provide rent credits for costs associated with the use of the baggage claim system by common use airlines in Terminal 1 at Los Angeles International Airport (LAX).

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that the proposed action is administrative 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 Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8757 with SWA covering space in Terminal 1 at LAX, to provide rent credits not to exceed \$6,393,000 over the term of the lease for costs associated with use of the tenant's leased portion of the baggage claim system by common use airlines located in Terminal 1.
3. CONCUR with the Board action on June 15, 2023, by Resolution No. 27762, authorizing the Chief Executive Officer, LAWA, or designee, to execute a Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8757 with SWA.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Fourth Amendment to Terminal Facilities Lease and License Agreement with LAA-8757 with Southwest Airlines Company covering space in Terminal 1 at LAX 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 Southwest Airlines Company, for an amount not-to-exceed \$6,393,000. The actions of the proposed Fourth 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 a Board of Airport Commissioners report and Resolution No. 27762 relative to a proposed Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8757 between LAWA and Southwest Airlines Company to provide rent credits for operation and maintenance of a leased baggage system by common use airlines located in Terminal 1.

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

Respectfully submitted,

TRADE, TRAVEL AND TOURISM COMMITTEE

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