

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to the Third Amendment to the Los Angeles World Airports (LAWA) concession agreement with Boingo Wireless, Inc.

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (BOAC) that the proposed action is administratively exempt under the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. APPROVE the Third Amendment to LAWA Concession Agreement LAA-8862 with Boingo Wireless, Inc., revising payment terms due to decline in revenue resulting from COVID-19 travel restrictions for Wi-Fi concession at Los Angeles International Airport (LAX).
3. CONCUR with the action taken by the BOAC on March 4, 2021, by Resolution No. 27216, authorizing the Chief Executive Officer, LAWA, or designee, to execute the Third Amendment to Concession Agreement LAA-8862 with Boingo Wireless, Inc.

Fiscal Impact Statement: The BOAC reports that this action will not impact the General Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE – MAY 19, 2021

(LAST DAY FOR COUNCIL ACTION – MAY 19, 2021)

SUMMARY

In a report to BOAC dated March 4, 2021, LAWA requests approval of Third Amendment to the LAWA concession agreement with Boingo Wireless. LAWA reports that the decline in passenger volume as a result of COVID-19 has resulted in decreased advertising and membership revenue. On May 21, 2020, BOAC approved rent relief for Boingo Wireless. Due to continued impacts of the pandemic on passenger activity, Boingo Wireless requested an extension to rent relief terms to offset the continued losses in revenue, with an additional reduction to contingent rent from 50% to 25%. Based on review of actual sales from July 1, 2020, and discussions with Boingo Wireless representatives, LAWA recommends that monthly rent be the lower of 40% of gross revenues or 1/12th of the Base Annual Fee for the rent relief period.

On March 4, 2021, BOAC approved the proposed Third Amendment to the LAWA concession agreement with Boingo Wireless, Inc.

At its meeting held April 27, 2021, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed concession agreement amendment, as recommended by BOAC.

<u>MEMBER</u>	<u>VOTE</u>
BUSCAINO:	YES
BONIN:	ABSENT
LEE:	YES

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Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

- NOT OFFICIAL UNTIL COUNCIL ACTS -