

CATEGORICAL EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to a proposed Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8581 between Los Angeles World Airports (LAWA) and Alaska Airlines, Inc. to provide rent credits for costs associated with the use of baggage claim system by common use airlines located in Terminal 6 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 categorically exempt under the California Environmental Quality Act (CEQA) pursuant to 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-8581 with Alaska Airlines, Inc. covering space in Terminal 6 at LAX, to provide rent credits not to exceed \$2,913,000 over the term of the lease for costs associated with use of Alaska Airlines, Inc. leased baggage system by common use airlines located in Terminal 6.
3. CONCUR with the Board action on June 15, 2023, by Resolution No. 27761, authorizing the Chief Executive Officer, LAWA, or designee, to execute a Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8581 with Alaska Airlines, Inc.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Fourth Amendment to Terminal Facilities Lease and License Agreement LAA-8581 with Alaska Airlines, Inc. 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 Alaska Airlines, Inc., for an amount not-to-exceed \$2,913,000. 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 Board of Airport Commissioners reports and Resolution No. 27761 relative to a proposed Fourth Amendment to Terminal Facilities Lease and License Agreement No. LAA-8581 between LAWA and Alaska Airlines, Inc. to provide rent credits for operation and maintenance of a leased baggage 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 report dated July 10, 2023, as detailed above. This matter is now forwarded to Council for consideration.

Respectfully submitted,

TRADE, TRAVEL AND TOURISM COMMITTEE

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

CGR 11-0626-S1_rpt_ttt_1-16-2024

– NOT OFFICIAL UNTIL COUNCIL ACTS –