



Report to the BOARD OF AIRPORT COMMISSIONERS

Approver:  _____ David Jones, Deputy Executive Director Commercial Development Division	<u>Meeting Date</u> 10/6/2022			
	Needs Council Approval: <input checked="" type="checkbox"/> Y			
Reviewer:  _____ Brian C. Ostler, City Attorney <i>TD</i>	<u>Reviewed for/by</u> Finance	<u>Date</u> 9/16/2022	<u>Approval Status</u> <input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	<u>By</u> JS
	CEQA	9/16/2022	<input checked="" type="checkbox"/> Y	VW
 _____ <small>Justin Erbacci (Sep 29, 2022 21:28 PDT)</small> Justin Erbacci, Chief Executive Officer	Procurement	9/21/2022	<input type="checkbox"/> Y <input checked="" type="checkbox"/> Cond	BG
	Guest Experience	9/21/2022	<input checked="" type="checkbox"/> Y	TB
	Strategic Planning	9/26/2022	<input checked="" type="checkbox"/> Y	BNZ

SUBJECT

Request to approve the proposed Second Amendment to Lease PIA-224 with Kinkisharyo International, LLC to reduce a portion of the leased premises located at 2825 East Avenue P at Palmdale Landholdings. The proposed lease amendment will result in \$1,145,860 annual revenue to Los Angeles World Airports and \$2,005,256 over the remaining term, which is a reduction of \$269,734 in the first year and \$472,034 over the remaining 21-month term of the lease.

RECOMMENDATIONS

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1 (18)(c) of the Los Angeles City CEQA Guidelines.
3. APPROVE the proposed Second Amendment to Lease PIA-224 with Kinkisharyo International, LLC, a Delaware limited liability company, as referenced in this report.
4. AUTHORIZE the Chief Executive Officer, or designee, to execute the lease amendment upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION

1. Purpose

Staff request approval of the proposed amendment that will reduce Kinkisharyo International's, LLC (KI) leased premises to reflect their reduced operating space needs and return space to Los Angeles World Airports for future leasing opportunities.

2. Prior Related Actions/History of Board Actions

- **April 21, 2014 – Resolution No. 25402 (Lease PIA-224)**
The Board of Airport Commissioners (Board) approved a five-year lease, which included an option for an additional five-year term, with KI for property located at 2825 East Avenue P, portions of Building 702 and 704.
- **April 16, 2015 – Resolution No. 25663 (Lease PIA-224A)**
The Board approved a First Amendment to Lease PIA-224 to provide additional space to KI's Demised Premises for the entire building space at Building 702 and a Los Angeles World Airports-owned warehouse located at 39516 30th Street East.

3. Background

Los Angeles World Airports (LAWA) owns approximately 17,500 acres of land in the City of Palmdale, which is referred to as the Palmdale Landholdings. A part of this land consists of a 307-acre campus that is referred to as Site 9, which contains approximately one million square feet of space in five LAWA buildings, including Building 702.

In 2014, LAWA executed Lease PIA-224 with KI for the occupancy of leased premises consisting of 426,840 square feet (SF) of building space, comprised of 168,840 SF in Hangar 704 and 258,000 SF of storage space in Building 702. KI also uses common area space for vehicular movement, has a vehicle parking area, and is charged a Common Area Maintenance fee for these areas. The leased premises were used to assemble light rail vehicles for Metro's rail operation.

In 2021, KI was awarded a new contract for Metro's P2550 modernization project. However, this new contract involves mostly maintenance and repair work of rail cars. Therefore, KI does not require as much leased space and requested a reduction of its leased premises that it no longer needs.

4. Current Action/Rationale

Los Angeles World Airports staff and KI have agreed to the terms of the proposed Second Amendment for KI to keep 130,164 SF of the leased building space, while allowing LAWA staff to proceed with plans to solicit prospective tenants for the unused portion of Building 702 and adjacent land area.

The terms of the proposed Second Amendment to Lease PIA-224 with Kinkisharyo International, LLC are summarized in the table below.

	CURRENT	PROPOSED
TERM		
	5-years with 5-year extension	No Change
Effective Date:	July 3, 2014	No Change
Expiration Date:	July 2, 2024	No Change
PREMISES		
Land Area (Lease Ref. #):		
(ii) Land Under and Adjacent to Hangar 704	389,235 Square Feet (SF)	No Change
(iv) Land Under and Adjacent to Hangar 702	535,114 SF	256,657 SF
(v) Parking Area A for automobile parking adjacent to building known as Building 701 located at 2825 East Avenue P	122,956 SF	No Change
(vi) Parking Area B for automobile parking adjacent to building known as Building 702 located at 2825 East Avenue P	64,989 SF	0 SF
Building (Lease Ref. #):		
(i) Portion of Hangar 704 - Entire ground floor of Hangar 704 located at 2825 East Avenue P	168,840 Square Feet (SF)	No Change
(iii) Building 702 located at 2825 East Avenue P	258,000 SF	130,164 SF
FIRST YEAR RENT	\$1,415,594	\$1,145,860
REMAINING TERM RENT	\$2,477,290	\$2,005,256
Notes: Rent does not include future rental rate adjustments. Remaining lease term +/- 21-months.		

Staff requests that the Board approve the proposed Second Amendment to Lease PIA-224 with Kinkisharyo International, LLC and authorize the Chief Executive Officer, or designee, to execute the lease after approval as to form by the City Attorney and approval by the Los Angeles City Council.

How This Action Advances a Specific Strategic Plan Goal and Objective

This action advances this strategic goal and objective: *Sustain a Strong Business: Diversify and grow revenue sources, and manage costs.* Leasing owned assets assists in growing revenue. By reducing leased premises no longer needed by the tenant, Los Angeles World Airports will be able to utilize the space for future opportunities.

5. Fiscal Impact

Approval of the proposed Second Amendment will result in a reduction in revenue of approximately \$269,734 in the first year and \$472,034 over the remaining 21-month term of the lease, exclusive of the periodic rental rate adjustments. LAWA will receive \$2,005,256 in rent over the course of the 21-month lease term.

6. Alternatives Considered

- ***Take No Action***

Taking no action is not recommended. Not approving the proposed Second Amendment may result in KI vacating its premises at Palmdale Land Holdings, which would result in an interruption to our revenue stream and the added expense of maintaining vacant buildings and surrounding land area.

- ***Solicit Competitive Proposals***

Los Angeles World Airports staff has contemplated the solicitation of competitive proposals for the entire leasehold, including Building 702, if KI is unable or unwilling to fulfill its obligations under its lease. However, staff is still determining whether there is sufficient interest from outside parties to lease property at Palmdale Landholding before pursuing this approach. Meanwhile, staff plans to solicit for prospective tenants to occupy the surrendered building space and adjacent land area.

APPROPRIATIONS

No appropriations are required for this action

STANDARD PROVISIONS

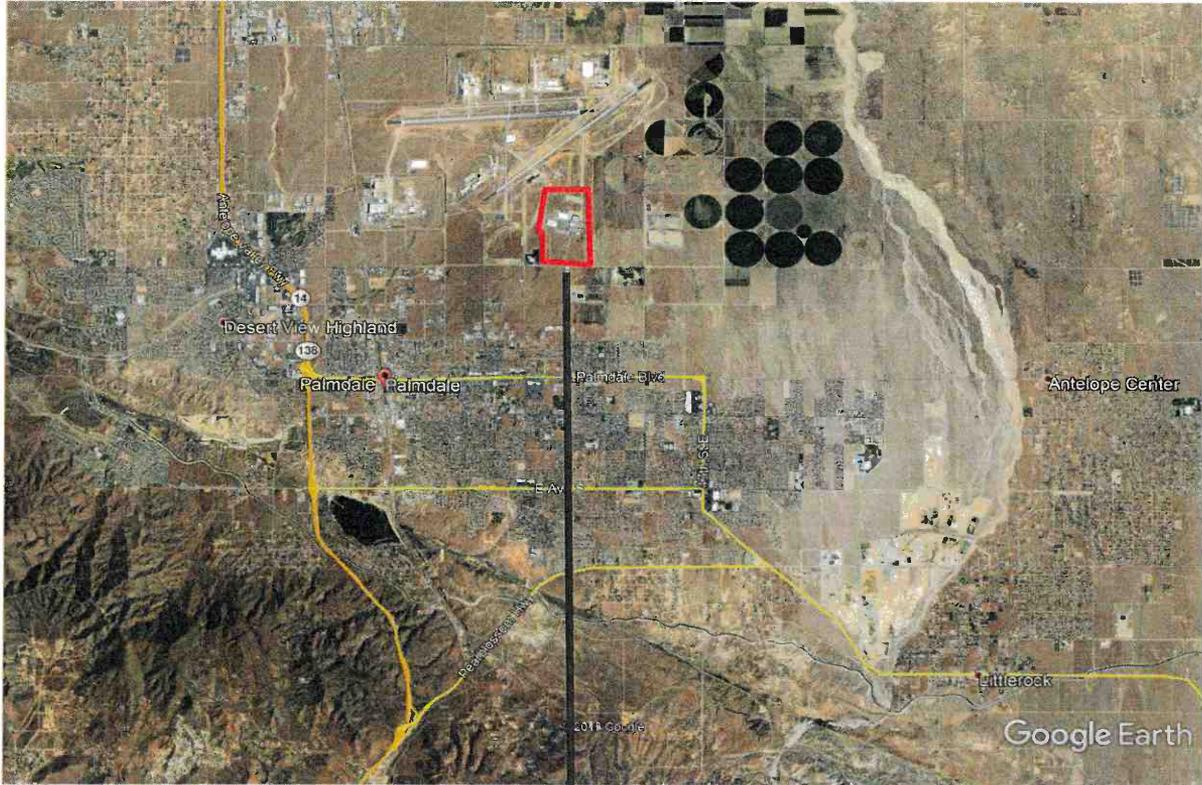
1. The issuance of permits, leases, agreements, gate and space assignments, and renewals, amendments or extensions thereof, or other entitlements granting use of existing airport facilities or its operations is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article III, Class 1 (18) (c) of the Los Angeles City CEQA Guidelines.
2. The proposed document(s) is/are subject to approval as to form by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606.
4. Kinkisharyo International, LLC is required by contract to comply with the provisions of the Living Wage Ordinance.

5. This action is not subject to the Business Enterprise Program.
6. Kinkisharyo International, LLC is required by contract to comply with the provisions of the Affirmative Action Program.
7. Kinkisharyo International, LLC must submit a Business Tax Registration Certificate number prior to execution of the lease amendment.
8. Kinkisharyo International, LLC is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. Kinkisharyo International, LLC has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
10. Kinkisharyo International, LLC This action is not subject to the provisions of Charter Section 1022 (Use of Independent Contractor).
11. Kinkisharyo International, LLC has submitted the Contractor Responsibility Program Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Kinkisharyo International, LLC has been determined by Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance.
13. This action is not subject to the provisions of the First Source Hiring Program.
14. Kinkisharyo International, LLC has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.

Attachment:

Exhibit 1 Palmdale Landholdings Site 9 Area

Exhibit 1 Palmdale Landholdings Site 9 Area



Kinkisharyo International, LLC
Second Amendment to
Lease PIA-224
Demised Premises:
Boundary = 

**SECOND AMENDMENT TO THE LEASE
BETWEEN CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS
AND KINKISHARYO INTERNATIONAL, LLC
AT PALMDALE LAND HOLDINGS
(2825 East Avenue P; Site 9 - Lease No. PIA-224)**

THIS SECOND AMENDMENT TO THE LEASE (this “Second Amendment”) is made and entered into as of this ____ day of _____, 2022 (the “Amendment Effective Date”) between the **CITY OF LOS ANGELES**, (hereinafter referred to as “City”) acting by and through its Board of Airport Commissioners (“Board”) of the Airport Commissioners of the **DEPARTMENT OF AIRPORTS** (hereinafter referred to as “Department” or “LAWA”), and **KINKISHARYO INTERNATIONAL, LLC**, a Delaware limited liability company (“Lessee”). City and Lessee are each a “Party” to this Second Amendment, and collectively are referred to herein as “Parties”.

RECITALS

The Parties hereby acknowledge and agree that their respective decisions to enter into this Second Amendment are premised on the following recitals which set forth certain facts upon which the Parties agree:

A. City and Lessee entered a Lease dated July 3, 2014, for premises located at 2825 East Avenue P in Palmdale, California at Palmdale Airport Land Holdings, which lease is designated as Lease No. PIA-224 (“Lease”). Unless otherwise specified, all capitalized terms in this Second Amendment shall have their meanings as set forth in the Lease.

B. City and Lessee have agreed to amend the lease to allow for continued manufacturing of light rail cars and to decrease the size of the Lessee’s Demised Premises.

C. In the original Lease PIA-224 and its First Amendment, the previous reference to “Airport” or “Palmdale Airport” is now referenced herein as “Palmdale Landholdings”. The City has puts its FAA airport certification on hold so City-owned area is no longer considered an airport.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Demised Premises. Article 1, Section 1.1 is hereby deleted in its entirety and replaced with the following:

“1.1 **Description.** City hereby leases to the Lessee the subject property, in the areas commonly known as 2825 East Avenue P, Palmdale, California (hereinafter referred to as “Site 9”) in the vicinity of Palmdale Land Holdings which leased property includes the following property as depicted in **Exhibit A2**:

(i) “Portion of Hangar 704,” consisting of the entire ground floor totaling 168,840 square feet of improvement space within the 260,146 square foot building known as Hangar 704 located at 2825 East Avenue P;

(ii) “Land Under and Adjacent to Hangar 704,” consisting of 389,235 square feet of real property;

(iii) “Portion of Building 702,” consisting of a 130,164 square foot portion of improvement space, depicted on **Exhibit A2 (Page 2 of 3)**, within the 258,000 square foot building known as Building 702 located at 2825 East Avenue P;

(iv) “Land Under and Adjacent to Building 702,” consisting of 256,657 square feet of real property;

(v) “Parking Area A,” consisting of approximately 122,956 square feet of land for automobile parking adjacent to building known as Building 701 located at 2825 East Avenue P;

The foregoing Sections 1.1(i) to 1.1(v) shall be collectively referred to herein as “Demised Premises.” The Demised Premises are collectively depicted and outlined in bold on LAWA Drawing No. 20130053 attached hereto as **Exhibit A2 (Page 1 of 3)**. The Demised Premises’ use categories and respective square footage are also identified on **Exhibit B, Payments**, both of which are attached hereto and incorporated by reference herein.”

Section 2. Use of Demised Premises. Article 1, Section 3.1 is hereby deleted in its entirety and replaced with the following:

“3.1. **Authorized Uses.** The use of the portion of the Demised Premises located at 2825 East Avenue P is limited to assembly and manufacturing of light rail cars and uses incidental thereto. Lessee shall have ingress and egress rights to its Demised Premises and entry to building shall be from entry points located at their exterior land Parking and Staging area. Lessee shall provide reasonable ingress and egress across its Demised Premises to other users of Building 702 if no other alternate access to Building 702 users are available. Lessee shall also have Ingress and Egress rights inside the Building 702 common area hallways located on the east side of Lessee’s Demised Premises and to a common area IT room, in which case requires other building user notification and escort before entry into common area IT room.”

Section 3. Payments to the City. Article 1, Section 5.1.2 is hereby deleted in its entirety and replaced with the following:

“5.1.2 **CAM Charge.** In addition to the Monthly Rent, Lessee shall pay common area maintenance (CAM) charges to cover Lessee’s proportional share of costs incurred by City for the portion of Site 9 and Common Areas located at 2825 East Avenue P, including but not limited to maintenance, repairs, utility costs, applicable taxes, and the costs of a facility management company collectively allocated by rentable square footage. The amount of the CAM charge shall be as stated in **Exhibit B**, and shall be periodically adjusted on July 1, 2022, and increased by 3% every July 1st when the

CAM charge is not periodically adjusted. The CAM charge shall be recalculated and periodically adjusted to reflect City's costs, effective on July 1, 2022, and every five (5) years thereafter.”

Section 4. Rental Payments. Article 2, Section 2.2 is hereby deleted in its entirety and replaced with the following:

“2.2 All payments shall be mailed to the following address:

**City of Los Angeles
LAWA Los Angeles World Airports
P.O. Box 102662
Pasadena, CA 91189-2662.”**

Section 5. Insurance. Exhibit E to the Lease is hereby deleted in its entirety and replaced with Exhibit E (Pages 1-2) to this Second Amendment.

Article 2, Section 13.8 is hereby deleted in its entirety.

Section 6. Laws, Rules, and Regulations. Article 2, Section 25.5 is added to this Second Amendment with the following:

25.5 Antelope Valley Groundwater Adjudication

25.5.1 AV Groundwater Adjudication Final Judgment. Lessee is hereby informed and acknowledges that the Demised Premises are located within the Antelope Valley Water Basin and that use of water and groundwater production on the Demised Premises is subject to the terms of the Final Judgment and Physical Solution entered on December 23, 2015 (“Final Judgment”) which includes the City as a party thereto, as may be further amended by the Court and implemented through Rules and Regulations of the Antelope Valley Watermaster. A copy of the Final Judgment is available for review at the Watermaster website at <http://watermaster.wp.iescentral.com/wp-content/uploads/2018/03/151228-Exhibit-a.pdf>.

25.5.2 Limited Water Rights. Lessee agrees that it shall use no more than 8 acre feet of water per year on the Demised Premises during the Term. Lessee acknowledges that this amount is subject to further limitation or adjustment in the Chief Executive Officer’s sole discretion with advance written notice in order to comply with the City’s broader obligations under the Final Judgment. Except as expressly set forth herein, Lessee acknowledges that the Lease does not include any entitlement to use any of the City’s rights under the Final Judgment.

25.5.3 Cooperation and Costs. Lessee will cooperate with City in ensuring compliance with Final Judgment provisions, including but not limited to: (1) installation and maintenance of meters on wells which comply with Watermaster requirements; (2) reporting of groundwater production consistent with Watermaster reporting requirements; (3) assisting with any applications

required by the Watermaster, such as for construction of any new wells, and (4) allowing access for inspections by City, the Watermaster, and the Watermaster Engineer as required under the Judgment. Lessee shall bear costs associated with the foregoing, if any, and for its share of any pass-through costs or assessments from the Watermaster attributable to the Demised Premises in the Chief Executive Officer's sole discretion.

Section 7. Laws, Rules, and Regulations. Article 2, Section 25.6 is added to this Second Amendment with the following:

Section 25.6 Nitrate Groundwater Contamination

25.6.1 Cleanup & Abatement Order / Nitrates. Lessee is hereby informed and acknowledges the Regional Water Quality Control Board, Lahontan Region ("Regional Board") has determined that groundwater beneath and associated with the Premises has been degraded with respect to nitrates and has issued Cleanup and Abatement Order R6V-2003-0056 ("Order") to both LAWA and County Sanitation District No. 20 of Los Angeles County ("District").

25.6.2 Cooperation and Access. Pursuant to an agreement between LAWA and the District, the District shall be responsible for certain compliance requirements under the Order that may require access for groundwater sampling or monitoring or remedial actions in Palmdale including the Demised Premises. Lessee shall cooperate with respect to access needed or desired in performance of compliance requirements. The District will endeavor to avoid any material disruption in performing compliance requirements, and has agreed to provide 14 calendar days' notice to LAWA and its tenant of the District's intent to access those areas (except in the event of a resampling, in which case the District shall provide at least 3 business days' notice), or pursuant to a defined schedule for access subject to LAWA's and the Lessee's reasonable approval.

25.6.3 Tenant Monitoring and Reporting Plan. Lessee shall not create or increase nitrate groundwater contamination after the Effective Date of this Lease. In connection therewith, Lessee understands and agrees that it shall perform monitoring and reporting to LAWA relating to agronomic application of water and nutrients in manner and frequency as set forth in an annual Tenant Monitoring and Reporting Plan to be provided by City and may be updated from time to time.

Section 8. Exhibits.

8.1 **Exhibit A** and **Exhibit A-1** to the Lease is hereby deleted in its entirety and replaced with **Exhibit A2 (Pages 1-3)** to this Second Amendment.

8.2 **Exhibit B** to the Lease is hereby deleted in its entirety and replaced with **Exhibit B** to this Second Amendment.

Section 9. Effect of This Second Amendment. Except as modified by this Second Amendment, the Lease is hereby ratified and confirmed and all other terms of the Lease shall remain in full force and effect, unaltered and unchanged by this Second Amendment. If there is any conflict between the

provisions of this Second Amendment and the provisions of the Lease, the provisions of this Second Amendment shall prevail. Whether or not specifically amended by this Second Amendment, all terms and provisions of the Lease are amended to the extent necessary to give effect to the purpose and intent of this Second Amendment.

Section 10. Integration; No Third-Party Beneficiaries. No provisions of the Second Amendment may be further amended or added to except by a written agreement signed by the Parties or their respective successors-in-interest. Except as expressly provided for herein, this Second Amendment is not intended to confer upon any person other than the Parties any rights or remedies hereunder.

Section 11. Governing Law; Interpretation. This Second Amendment shall be governed by, and construed in accordance with, the laws of the State of California. The Lease and this Second Amendment are subject to the provisions of the Los Angeles Administrative Code. Each Party represents and warrants that this Second Amendment has been negotiated and drafted at arm's length by equally sophisticated parties, and any ambiguity cannot be attributed to either Party hereto. If any provision of this Second Amendment, or the application thereof to any persons or circumstances, shall be invalid or unenforceable, the remainder of this Second Amendment shall not be affected thereby, and each provision of this Second Amendment shall be valid and shall be enforceable to the fullest extent permitted by law.

Section 12. Rights of United States Government; National Emergency. The Lease and this Second Amendment shall be subordinate to the provisions and requirements of any existing or future agreement(s) between City and the United States relative to the development, operation or maintenance of AIRPORT, including but not limited to Airport Grant Assurances. Furthermore, the Lease and this Second Amendment shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, taking over, or use (whether exclusive or nonexclusive) of AIRPORT during war or a national emergency.

Section 13. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Second Amendment attached thereto.

Section 14. Electronic Signature. This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including counterparts that are manually executed and counterparts that are in the form of electronic records and are electronically executed. An electronic signature means a signature that is executed by symbol attached to or logically associate with a record and adopted by a party with the intent to sign such record, including facsimile or e-mail signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered that had

been signed using a handwritten signature. All parties to this Lease (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting, under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 (“E-SIGN”) and the California Uniform Electronic Transactions Act (“UETA”) (California Civil Code §1633.1 et seq.), that a signature by fax, e-mail, or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have themselves or through their duly authorized officers caused this Second Amendment to be executed as of the Amendment Effective Date.

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney

CITY OF LOS ANGELES

Date: _____

By: _____
Deputy/Assistant City Attorney

By _____
Chief Executive Officer
Department of Airports

By _____
Chief Financial Officer
Deputy Executive Director
Department of Airports

ATTEST:

KINKISHARYO INTERNATIONAL, LLC

By 
Secretary (Signature)

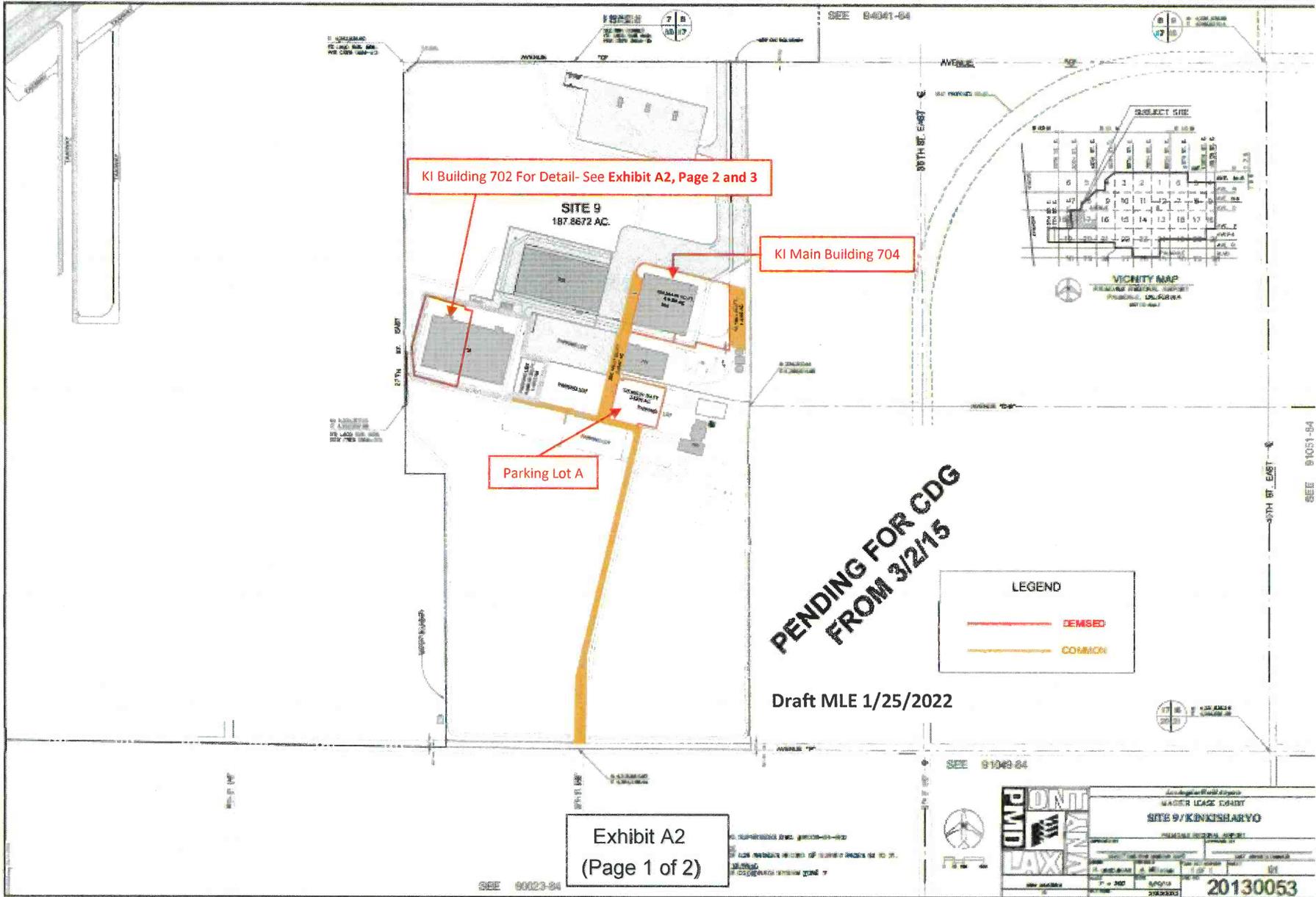
Masaya Wakuda
Print Name

By 
Signature

Koji Nishiyama
Print Name

President
Print Title

[SEAL]



Kinkisharyo International, L.L.C. (KI) - Building 702 Demised Premises - Site 9, Palmdale Landholdings

KI Demised Premises = 

Note:

1. Demised Premises, (iv) "Land Under and Adjacent to Hangar 702," consists of 256,657 S.F.
2. Blasting and Paint Booth improvements in delineated area were installed by KI and have not reverted to LAWA ownership.
3. KI shall have ingress and egress rights to its Demised Premises. KI shall provide reasonable ingress and egress across its Demised Premises to other users of Building 702 if no other reasonable alternate access is available.



Exhibit A2
(Page 3 of 3)

LOS ANGELES WORLD AIRPORTS
Kinkisharyo International, L.L.C.
2nd Amendment to Lease No. PIA-224

PAYMENTS
(To be effective upon Amendment Effective Date)

Description	Area (Square Feet)	Rate/PSFPY	Monthly Amount
Hangar 704	168,840	\$ 3.92	\$55,154.40
704 CAM	168,840	\$ 1.24	17,446.80
Building 702	130,164	\$ 1.18	12,799.46
702 CAM	130,164	\$ 0.93 *	<u>10,087.71</u>
		Total:	\$95,488.37

Performance Guarantee: \$286,466

* 75% of Common Area Maintenance Charge for building 702

Note:

1. Rental, fees and other charges, as set forth in this Exhibit B are subject to adjustment pursuant to the terms of this lease.
2. Periodic Adjustments for Building Rental Rates and Common Area Maintenance (CAM) charges pursuant to this lease were put on hold and are now scheduled for adjustment on July 1, 2022.
3. Rental charges and fees will commence upon Amendment Effective Date.



**RISK MANAGEMENT DIVISION
INSURANCE REQUIREMENTS**

NAME: KINKISHARYO INTERNATIONAL, L.L.C.
AGREEMENT: Second Amendment to Lease No. PIA-224, at Site 9, Palmdale Land Holdings
LAWA DIVISION: Commercial Development Division, Property Services
WIZARD ID NO.: 10236

The insured must maintain insurance coverage at limits normally required of its type operation; however, the following coverage noted with an "X" is the minimum required and must be at least the level of the limits indicated. All policies must be occurrence based with the minimum required per occurrence limits indicated below.

	<u>LIMITS</u>
(X) Workers' Compensation (Statutory)/Employer's Liability	<u>Statutory</u>
() Voluntary Compensation Endorsement	
(X) Waiver of Subrogation	
(X) Automobile Liability - covering owned, non-owned & hired auto	<u>\$1,000,000</u>
(X) General Liability - including the following coverage:	<u>\$1,000,000</u>
(X) Contractual (Blanket/Schedule)	
(X) Independent Contractors	
(X) Personal Injury	
(X) Premises & Operations (minimum \$1 million each occurrence)	
(X) Products /Completed Operations	
(X) Additional Insured Endorsement, specifically naming LAWA (Please see attached supplement).	
() Hangar keepers Legal Liability (At least at a limit of liability of \$ 1 million)	
(X) Umbrella Excess Liability	<u>\$20,000,000CSL</u>
(X) Property Insurance	
() Building, including contents	<u>100% Replacement Cost</u>
All Risk/Special Form Coverage, including flood and earthquake	
LAWA named additional insured and loss payee	
(X) Tenant improvements	<u>100% Replacement Cost</u>
All Risk/Special Form Coverage, including flood and earthquake	
LAWA named loss payee	
Waiver of subrogation (Please see attached supplement)	
() Builder's Risk Insurance	<u>Total project value -</u>
All Risk/Special Form Coverage, including flood and earthquake	<u>100% Replacement Cost</u>
LAWA named loss payee required if property or building ultimately revert to City	

*******RETURN THIS PAGE WITH EVIDENCE OF YOUR INSURANCE*******

SUBMIT ALL DOCUMENTS TO RISKINSURANCE@LAWA.ORG

7/2022



RISK MANAGEMENT DIVISION
INSURANCE REQUIREMENTS

INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS (SUPPLEMENT)

The only evidence of insurance accepted will be either a Certificate of Insurance, or a True and Certified copy of the policy. The following items must accompany the form of evidence provided:

Insurance companies, must have an **AM Best rating of A- or better**, and have a minimum **financial size of at least four**

Endorsements:

- **Workers Compensation Waiver of Subrogation Endorsement
(WC 04 03 06 or similar)**
- **General Liability Additional Insured Endorsement**
- **Ongoing and Products - Completed Operations Endorsement
(ISO Standard Endorsements preferred)**

Certificate Holder:

**Los Angeles World Airports
PO Box 92216
Los Angeles, CA 90009**

A typed legible name of the Authorized Representative must accompany the signature on the Certificate of Insurance and/or the True and Certified copy of the policy.

A blanket/automatic endorsement is not acceptable unless you have a direct contract with LAWA.

Language written on a certificate of insurance is not acceptable as an endorsement.