

RESOLUTION NO. 27709

WHEREAS, on recommendation of Management, there was presented for approval, Third Amendment to Non-Exclusive Space Use License Agreement LAA-9095 with Alclear LLC to allow said licensee to enroll passengers in the Transportation Security Administration PreCheck Program, under said agreement covering expedited traveler services at Los Angeles International Airport; and

WHEREAS, since 2020, under its Non-Exclusive Space Use License Agreement (NELA), Alclear LLC (dba Clear) has operated at Los Angeles International Airport (LAX) and offers passengers the opportunity to enroll in a subscription-based identity verification system, which expedites security screening by confirming passenger identity biometrically instead of with government-issued photo identification. Clear has locations in every terminal at LAX where passengers can enroll in the program and use the biometric identification service. Clear's kiosks are located on the ticketing and security screening levels of each terminal and operate when the Transportation Security Administration (TSA) passenger screening checkpoints are open; and

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Chief Executive Officer

WHEREAS, separately, TSA offers PreCheck, which allows passengers to enroll in a known traveler program that offers an expedited secondary physical procedure. Enrollment in the TSA PreCheck Program requires passengers to complete applications onsite at a TSA location. There is only one TSA PreCheck enrollment services office at LAX, located in Terminal 1, that operates with limited hours and service appointment availability; and

WHEREAS, in 2021, Clear was contracted by TSA to provide PreCheck enrollment services at airports. Clear has requested that its NELA be amended to allow Clear to offer such services at LAX. Allowing Clear to process TSA PreCheck enrollment services from all current locations will offer a more convenient way for guests to enroll in the program. Clear plans to dedicate one location in each terminal to support TSA PreCheck enrollment; and

WHEREAS, currently, Clear pays the greater of a Minimum Annual Guarantee of \$2.7 million or percentage rents equal to 12.5% of all sales from the catchment area, which is a 100-mile radius from LAX, excluding San Diego. Staff do not expect that the addition of TSA PreCheck services will materially affect revenue from the NELA because the fee charged for TSA PreCheck is only a pass-through to TSA. Passengers will have the ability to purchase a TSA PreCheck/Clear bundle. It is unclear what the revenue to LAWA will be as LAX is the first airport to offer the service; and

WHEREAS, this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; and

WHEREAS, Clear is required to comply with the provisions of the Living Wage/Service Contractor Worker Retention Ordinances; and

WHEREAS, Clear is required to comply with the provisions of the Affirmative Action Program; and

WHEREAS, Clear is assigned Business Tax Registration Certificate 0002938391-0003-2; and



WHEREAS, Clear is required to comply with the provisions of the Child Support Obligations Ordinance; and

WHEREAS, Clear has approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports; and

WHEREAS, Clear has submitted the Contractor Responsibility Program Pledge of Compliance, and will comply with the provisions of said program; and

WHEREAS, Clear has been determined by Public Works, Office of Contract Compliance, with the provisions of the Equal Benefits Ordinance; and

WHEREAS, Clear is required to comply with the provisions of the First Source Hiring Program for all non-trade LAX jobs; and

WHEREAS, Clear has submitted the Bidder Contributions CEC Form 55, and will comply with its provisions; and

WHEREAS, Clear has submitted the MLO Bidder Contributions CEC Form 50, and will comply with its provisions; and

WHEREAS, 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;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; determined that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; approved the Third Amendment to Non-Exclusive Space Use License Agreement LAA-9095 with Alclear LLC to allow said licensee to enroll passengers in the Transportation Security Administration PreCheck Program, under said agreement covering expedited traveler services at Los Angeles International Airport; and authorized the Chief Executive Officer, or designee, to execute said Third Amendment to Non-Exclusive Space Use License Agreement LAA-9095 with Alclear LLC after approval as to form by the City Attorney and approval by the Los Angeles City Council.

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I hereby certify that this Resolution No. 27709 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Tuesday, April 11, 2023.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS