

CATEGORICAL EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to the First Amendment to Lease No. VNA-4896 with First City Pacific, Inc., for the 7.0380-acre site located at the southeast corner of Roscoe Boulevard and Balboa Place at Van Nuys Airport.

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners that the proposed action is categorically exempt from the California Environmental Quality Act (CEQA) as provided in Article III Class 1 (18)(c) of the Los Angeles City CEQA Guidelines.
2. APPROVE the First Amendment to Lease VNA-4896 with First City Pacific, Inc., for the 7.0380-acre site located at the southeast corner of Roscoe Boulevard and Balboa Place at the Van Nuys Airport to adjust the rental rate and provide for an early termination date.
3. CONCUR with the action taken by the Board of Airport Commissioners on July 13, 2017, by Resolution No. 26282 authorizing the Chief Executive Officer, Los Angeles World Airports (LAWA), to execute the First Amendment to Lease VNA-4896 with First City Pacific, Inc., to adjust the rental rate and provide for an early termination date for the leasehold at the Van Nuys Airport.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action requires no appropriation and will not impact the General Fund. LAWA indicates that the proposed First Amendment to Lease VNA-4896 with First City Pacific, Inc. will generate approximately \$5,113,609 in gross revenue over the remaining lease term. The Department further indicates that the proposed Amendment is the result of litigation and is required in order to comply with the agreed upon terms of a settlement agreement concerning the lease.

Community Impact Statement: None submitted.

TIME LIMIT FILE – SEPTEMBER 27, 2017

(LAST DAY FOR COUNCIL ACTION – SEPTEMBER 27, 2017)

SUMMARY

In a report to the Mayor dated August 23, 2017, the CAO states that LAWA requests approval to amend Lease VNA-4896 with First City Pacific, Inc., to provide for a new expiration date of January 31, 2026, an early termination option; and revised rental rate adjustments during the remainder of the lease term. According to the CAO, the proposed amendment is the result of litigation and is required in order to comply with the terms of a settlement agreement concerning the ground lease. The 7.0380-acre parcel is currently used for Home Depot parking. On July 13, 2017, the Board of Airport Commissioners approved the proposed lease amendment. The CAO concurs with this action.

At its meeting held September 5, 2017, the Trade, Travel, and Tourism Committee recommended that Council approved the proposed lease amendment, as recommended by the

Board of Airport Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

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

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A handwritten signature in black ink that reads "Paul Rebore". The signature is written in a cursive, flowing style.

-NOT OFFICIAL UNTIL COUNCIL ACTS-