



*Los Angeles
World Airports*

September 5, 2014

Planning and Land Use Management Committee
Los Angeles City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, CA 90012

City Council File No. 13-0285-S2

LAX

LA/Ontario

Van Nuys

City of Los Angeles

Re: Los Angeles International Airport Signage Supplemental Use District

Eric Garcetti
Mayor

Dear Honorable Chairman Huizar and Honorable Councilmembers Cedillo and Englander:

**Board of Airport
Commissioners**

Sean O. Burton
President

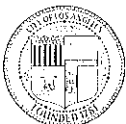
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Vice President

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Beatrice C. Hsu
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Gina Marie Lindsey
Executive Director

The Los Angeles World Airports (LAWA) is proud to propose the LAX Sign District for your consideration. We feel strongly that the LAX Sign District will enhance Los Angeles International Airport (LAX) and the City of Los Angeles with the type of creative and modern signage already being implemented at world class airports throughout the United States and abroad, while securing a source of revenue that will assist the City and LAWA in pursuing the necessary modernization and visitor enhancement program at LAX. The LAX Sign District will improve the traveler's experience, and create a well-designed and safe sign program that can capture the essence of Los Angeles and promote LAX as a world class international gateway. Throughout the entitlement process, LAWA has conducted extensive public outreach with various stakeholders including the Federal Aviation Administration (FAA), the City Planning Department, Council District 11, as well as with a number of community leadership groups including the Westchester Playa del Rey Neighborhood Council, local business improvement districts, and members of the Coalition to Ban Billboard Blight. LAWA is pleased to have crafted a proposal that has earned the support of Council District 11, the Westchester Playa del Rey Neighborhood Council, Gateway to LA Business Improvement District, Westchester Town Center Business Improvement District, Westchester Streetscape Committee, and LAX Coastal Area Chamber of Commerce.

This letter is also intended to respond to comments raised by some members of the public regarding potential alcohol advertising, and to address the letter dated August 26, 2014, from a law firm representing a billboard company, Regency Outdoor Advertising, Inc. (the "Regency Letter"). With respect to the first concern, LAWA will agree to implement operating standards that are currently in place at LAX for terminal operations that will ensure the quality and standards most appropriate for new signage permitted by the LAX Sign District. With respect to the second letter, it should be noted that the Regency Letter does not raise any material issues or change any conclusions with respect to the LAX Sign District or related environmental impact report (EIR). Detailed responses to these concerns are provided below. In light of all of the above, we are respectfully requesting that the Planning and Land Use Management (PLUM) Committee recommend approval of the LAX Sign District.



1. Advertising Operating Standards

As a public agency, LAWA is committed to bringing forward signs that will enhance LAX and the City of Los Angeles. LAWA has spent a great deal of time upfront designing a sign program that strictly controls sign placement, size, total area, sign type, and direction and use of illumination and digital technology. Comprehensive operating standards are implemented to protect public and aviation safety and to prevent any potential traffic hazards. The safety of all of our passengers, visitors, pedestrians, commercial vehicle operators and drivers, and especially our pilots and air traffic controllers is paramount and is LAWA's number one objective. LAWA also cares deeply about creating a sign program that is consistent in high design quality and also respects the family environment in which the presence of children is welcome at all times.

As part of the procurement and award process at LAX, the Board of Airport Commissioners (BOAC) has the charge and authority to approve new contracts associated with advertising at LAX. BOAC and LAWA have a great deal of experience working with third party media managers who control sign content on advertising displays, digital activations, and the content of sponsorship packages, while expressly retaining authority to approve and/or disapprove advertising display content to ensure that sign content conforms to standards of good taste which generally prevail in the placing of commercial advertising in public places. For example, BOAC has previously imposed advertising operating standards associated with a Terminal Media Operator Concession Agreement for indoor advertising, sponsorship, and emerging media opportunities. Specifically, as part of that concession agreement, BOAC restricted advertising which:

- is obscene, or indecent, or promotes hatred, bigotry, violence or intolerance, or which is offensive to the moral standards of the community or contrary to prevailing standards of adults in the greater metropolitan area of the City of Los Angeles as to suitability for display to a captive audience which includes minors
- is deceptive, false or misleading in any way,
- proposes an illegal transaction,
- is illegal under applicable Law, including without limitation, under the Lanham Act, California trademark and unfair competition laws, the patent and copyright laws of the United States and California Business and Professions Code Sections 17200 and 17500,
- reflects negatively on the character, integrity or standing of any individual, firm or corporation,
- is political advertising or advertising of sexual contraceptives, tobacco, or adult-oriented businesses,
- is content that violates any Intellectual Property rights of a third party, or
- advertises any rental car company that is not a concessionaire of the Airport, or any automobile parking lot or automobile parking garage that is not located on the Airport.

In order to address concerns raised at the PLUM Committee on August 26, 2014, LAWA staff will recommend to BOAC that any contracts with future advertising vendors or third party sign/media managers for the use of the signage proposed for the LAX Sign District contain the same or similar restrictions.

2. Regency Letter

The Regency Letter does not present any land use issues with the LAX Sign District project or change any conclusion in the related EIR. Regency's request to engage LAWA in lease extension negotiations is a separate matter entirely and should not be conflated with the proposed LAX Sign District project.

a. LAX Specific Plan Contemplates LAX Sign District and Supersedes Provisions of LAMC

The Regency Letter does not raise any issues with respect to the CEQA process or land use requirements associated with the proposed LAX Sign District. On August 2, 2011, LAWA filed an application with the Los Angeles City Planning Department seeking to establish a supplemental use district to allow off-site signage within its campus at LAX. This request was filed pursuant to the LAX Specific Plan, which was approved by the Los Angeles City Council in December 2004, effective January 20, 2005, as amended by Ordinance No. 182,542, effective July 3, 2013.

Section 14.D of the LAX Specific Plan provides that off-site signs such as those currently contemplated may be permitted through the establishment of a Sign District as set forth in Los Angeles Municipal Code (LAMC) Section 13.11. LAMC Section 13.11.B provides that sign districts are only permitted in property zoned C, M, and R5 (in limited areas). However, the LAX Specific Plan contains a provision that is intended to supersede and prevail over other LAMC provisions that are inconsistent. Section 3.B of the LAX Specific Plan states as follows (emphasis provided):

Wherever this Specific Plan contains provisions that establish regulations (including, but not limited to, standards such as densities, uses, parking, signage, open space and landscape requirements), which are different from, more restrictive or more permissive than would be allowed pursuant to the provisions contained in the LAMC or any other relevant ordinances, this Specific Plan shall prevail and supersede the applicable provisions of the LAMC and those relevant ordinances.

The Los Angeles Department of City Planning reviewed these provisions and determined that the LAX Specific Plan permitted a sign district to be established for the airport property in the LAX-A Zone and LAX-L Zone, notwithstanding the limitations of LAMC Section 13.11.B.

Pursuant to this City determination, in compliance with the California Environmental Quality Act (CEQA), LAWA prepared a Draft Environmental Impact Report (DEIR) and held a public scoping meeting on March 31, 2012. The purpose of the public scoping meeting was to receive public comments regarding the proposed LAX Sign District including the scope and content of the environmental information to be included in the DEIR. On Saturday, March 31, 2012, a representative of Regency attended the public scoping meeting for the proposed LAX Sign District. This meeting was held from 9:00 a.m. to noon at the Proud Bird Restaurant located at 11022 Aviation Boulevard within the City of Los Angeles. The scoping meeting was held in conjunction with the 30-day public review (March 16, 2012, and ending on April 16, 2012) of the Notice of Preparation (NOP) of an Environmental Impact Report (EIR) and Initial Study. Although the Regency representative attended the scoping meeting on March 31, 2012, LAWA did not receive any comments from Regency or any representative with regard to concerns or objections to the proposed project or the scope of the DEIR's environmental analysis. Based on Regency's participation at the scoping meeting, a Notice of Availability and compact disk with a copy of the

DEIR was sent via overnight delivery to the address of record for the Regency representative. During the 45-day public review period of the DEIR (October 11, 2012 through November 26, 2012), no comments were received from Regency or any representative regarding concerns or objections to the proposed project or the DEIR's environmental analysis and findings. As part of the notification related to the Final EIR, a public notice was sent to owners/occupants within the specified project vicinity, as well as interested parties and stakeholders. The Regency representative was included in the notification list for the public notice. This notice contained information regarding the availability of the Final EIR and included information regarding the open house and public hearing that was held by the Los Angeles City Planning Department as part of the consideration of a Sign Supplemental Use District for the proposed project on July 16, 2013 (open house beginning at 5:30 p.m. and public hearing beginning at 6:00 p.m.), at the Flight Path Learning Center. Based on the sign-in sheet and public comments received by LAWA in connection with the public meeting held on July 16, 2013, it appears that a representative from Regency was in attendance at this meeting, but Regency chose not to provide any comments with regard to the proposed project.

b. The LAX Sign District is Independent of the Proposed Citywide Sign Ordinance

As noted by the City Planning Department at the PLUM meeting on August 26, 2014, the proposed LAX Sign District is "grandfathered" as it was filed before December 6, 2011, which is the date set forth in the proposed Citywide Sign Ordinance for sign district applications to be considered "grandfathered". The clear intent was that the grandfathered applications could be considered separately from the proposed Citywide Sign Ordinance. Notwithstanding, LAWA worked carefully with the City Planning Department to incorporate for consistency purposes certain elements of the proposed Citywide Sign Ordinance approved by the City Planning Commission, even though it had not yet been adopted by City Council.

For example, the LAX Sign District includes, among other things, standards pertaining to sign illumination, animation and reduction of off-site signage that are consistent with the proposed Citywide Sign Ordinance and other sign ordinances that have been recently adopted, including the Convention and Event Center, Wilshire Grand, Figueroa and Olympic, and NBC Universal. With respect to the takedown requirement, the LAX Sign District varies from the proposed Citywide Sign Ordinance. The proposed revisions to the draft LAX Sign District Ordinance require a takedown of 23,520 square feet of off-site billboard signs within five years from the issuance of the first building permit for new off-site signs and a payment in the amount of \$3,750,000 for a LAWA Visual Blight Reduction Trust Fund.. The proposed takedown and LAWA Trust Fund requirements have been developed in consultation with LAWA's Chief Financial Officer and the FAA taking into account LAX's unique circumstances (e.g. location within the landside campus; lack of visibility of off-site signage on passenger boarding bridges on the Airside; proprietary City department status with experience in managing specially tailored sign regulations; the amount of off-site signage in the vicinity of LAX and the time required for implementation; City mandate to modernize LAX, an important regional facility; and compliance with Federal obligations and law).

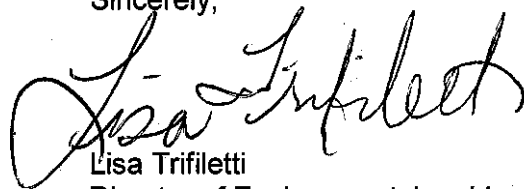
It should also be noted that the LAX Sign Ordinance would establish a sign district within a strictly limited and interior area of LAX that is not located 500 feet from a single-family residential zone, ecological preserve, or along the frontage of a scenic highway. Additionally, as detailed throughout the LAX Sign District EIR (particularly Sections IV.B, Visual Resources, and Section IV.D, Transportation Safety), the proposed Project (which includes 18 project design features and four LAX Master Plan Commitments) would not substantially alter, degrade, or eliminate the existing visual character of an area, including valued existing features or resources, nor would it substantially contrast with the visual character of the surrounding area and its aesthetic image.

Moreover, the proposed Project would not constitute a hazard to the safe and efficient operation of vehicles upon a street or a freeway, or the safe and efficient operation of aircraft during takeoff and landing or ground maneuvers, or create a condition that endangers the safety of persons or property. Therefore, impacts to aesthetic/visual resources and transportation safety would be less than significant. Furthermore, with the proposed LAWA Trust Fund monies, the result will be the elimination of visual blight and improvement of the aesthetics in the vicinity of LAX.

Conclusion

In conclusion, the LAX Specific Plan, specifically under Section 14.D, contemplated the establishment of the LAX Sign District and, therefore, the actions associated with this request are appropriate at this time. Any lease agreements for property located within the project boundaries are unrelated to the proposed LAX Sign District and do not have any impact on the proposed Ordinance. We appreciate your consideration of this matter and look forward to continued cooperation with the PLUM Committee and City Council as it considers how best to move this item through the legislative process.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa Trifiletti". The signature is fluid and cursive, with the first name "Lisa" being more prominent than the last name "Trifiletti".

Lisa Trifiletti
Director of Environmental and Land Use Planning
for Los Angeles World Airports

CC: Tricia Keane, Office of Councilmember Mike Bonin
Ken Fong, Office of the City Attorney
Nick Maricich, Department of City Planning