

ADMINISTRATIVE AND CATEGORICAL EXEMPTIONS and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to a Los Angeles World Airports (LAWA) lease with United Airlines, Inc. (UAL), for an aircraft and ground service equipment maintenance facility at Los Angeles International Airport (LAX).

Recommendations for Council action:

1. **ADOPT** the determination by the Board of Airport Commissioners that the proposed action is administratively and categorically exempt under the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2.i and Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.
2. **CONCUR** with the Findings of the Board of Airport Commissioners that that there have been no changes to the activities contemplated under the proposed action, and no changes in circumstances since certification of the Environmental Impact Report, that would result in a new significant impact or an increase in the severity of a previously disclosed significant impact, and no further CEQA review is required pursuant to Public Resources Code section 21166 and CEQA Guidelines section 15162.
3. **APPROVE** the LAWA lease with UAL for land and improvements at 6000-6024 Avion Drive for an aircraft and ground service equipment maintenance facility at LAX for a term of 30 years for a total annual rent of \$6,364,716 with annual Consumer Price Index adjustments.
4. **CONCUR** with the action taken by the Board of Airport Commissioners on May 2, 2019, by Resolution No. 26758, authorizing the Chief Executive Officer, LAWA, to execute the aforementioned lease with UAL.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. Approval of the proposed lease with UAL will result in revenues of approximately \$6 million in the first year. The lease complies with LAWA's adopted financial policies. There is no appropriation of funds being requested.

Community Impact Statement: None submitted.

TIME LIMIT FILE – JUNE 10, 2019

(LAST DAY FOR COUNCIL ACTION – JUNE 7, 2019)

SUMMARY

In a report to the Mayor dated May 10, 2019, the CAO states that LAWA requests authority to approve a ground lease with long-time lessee UAL for the purpose of consolidating duplicative airfield maintenance facilities into one east aircraft maintenance and ground equipment support facility, northeast of Runway 7L-25R. Included in the new lease is an update to the current terms and occupancy provisions to better align them with LAWA's business objectives for LAX. It is anticipated that the project will be completed by December 31, 2020. The CAO goes on to

discuss project details. On May 2, 2019, the Board of Airport Commissioners approved LAWA's request. The CAO concurs with this action.

At its meeting held May 21, 2019, the Trade, Travel, and Tourism recommended that Council approve the proposed lease with UAL, as recommended by the Board of Airport Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

A handwritten signature in dark ink, appearing to read "Joe Buscaino", written in a cursive style.

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

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-NOT OFFICIAL UNTIL COUNCIL ACTS-