

**CATEGORICAL EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT** relative to the First Amendment to the Los Angeles World Airports (LAWA) lease with Van Nuys Golf Management Partners, LLC, for the operation of a golf course 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 under the California Environmental Quality Act (CEQA) in accordance with Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.
2. APPROVE the First Amendment to LAWA Lease VNA-8553 with Van Nuys Golf Management Partners, LLC, to modify the rent structure to provide rent relief, covering the operation of a golf course located at 6550 Odessa Avenue at Van Nuys Airport.
3. CONCUR with the action taken by the Board of Airport Commissioners on November 7, 2019, by Resolution No. 26873, authorizing the Chief Executive Officer, LAWA, to execute the First Amendment to Lease VNA-8553 with Van Nuys Golf Management Partners, LLC.

Fiscal Impact Statement: The Board of Airport Commissioners reports that this action will not impact the General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – DECEMBER 13, 2019**

**(LAST DAY FOR COUNCIL ACTION – DECEMBER 11, 2019)**

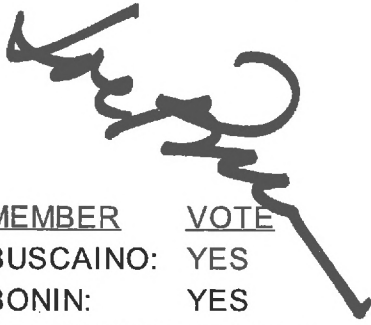
**SUMMARY**

On November 7, 2019, the Board of Airport Commissioners approved the First Amendment to the LAWA lease with Van Nuys Golf Management Partners, LLC. The contractor is requesting rent relief due to revenue losses stemming primarily from stagnant participation in the sport and competition from three nearby municipal/county operated golf courses . The decline in golf revenues is in spite of the contractor's effort to introduce new streams of revenue and control operational expenses. LAWA staff has determined that a reduction of the Minimum Annual Guarantee to \$120,000 is reasonable and justified. The First Amendment also includes an early termination clause that can be exercised at LAWA's option if a more favorable revenue-generating opportunity becomes available.

At its meeting held December 3, 2019, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed First Amendment to the LAWA lease with Van Nuys Golf Management Partners, LLC, as recommended by the Board of Airport Commissioners.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

A handwritten signature in black ink, appearing to read 'John J. ...', is written over the table header and extends into the table area.

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

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**