

CATEGORICAL EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to amending the Los Angeles World Airports (LAWA) lease with Mercury Air Cargo, Inc., to revise the space reduction effective date for a cargo facility.

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 Third Amendment to LAWA Lease No. LAA-8388 with Mercury Air Cargo, Inc., to revise the space reduction effective date December 1, 2018 to February 1, 2019 for a cargo facility located at 6040 Avion Drive within Los Angeles International Airport (LAX).
3. **CONCUR** with the action taken by the Board of Airport Commissioners on November 1, 2018 by Resolution No. 26636, authorizing the Chief Executive Officer, LAWA, to execute the Third Amendment to Lease No. LAA-8388 with Mercury Air Cargo, Inc.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. This project complies with LAWA's adopted financial policies.

Community Impact Statement: None submitted.

TIME LIMIT FILE – DECEMBER 12, 2018

(LAST DAY FOR COUNCIL ACTION – DECEMBER 24, 2018)

SUMMARY

In a report to the Mayor dated November 15, 2018, the CAO states that LAWA requests approval to execute the Third Amendment to a lease with Mercury Air Cargo, Inc., for the use of 499,222 square feet of warehouse/office space, land, and parking space southeast of LAX, used for its international air cargo operations and cargo logistics. The Amendment extends by two months the original date by which the Lessee's airport operations are to relocate in order to facilitate the impending construction of the Landside Access Modernization Program and minimize disruption to the company's activities resulting from the move. To accommodate the company's move of certain elements of its operations to the alternative space, LAWA is proposing to extend the space reduction's effective date from December 1, 2018, to February 1, 2019.

On November 1, 2018, the Board of Airport Commissioners approved LAWA's request. The CAO concurs with this action.

At its meeting held November 20, 2018, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed lease amendment, as recommended by the Board of Airport Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

A handwritten signature in black ink, appearing to read 'J. Buscaino', with a long horizontal flourish extending to the right.

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

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-NOT OFFICIAL UNTIL COUNCIL ACTS-