

CATEGORICAL EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to 10 proposed Amendments to Rental Car Concession Agreements (LAA-8136 to LAA-8144, and LAA-8870) between the Los Angeles World Airports and Rental Car Companies for car services at Los Angeles International Airport.

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that the proposed action is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1(18)(c) of the City of Los Angeles CEQA Guidelines.
2. APPROVE the Eighth Amendment to the following nine existing non-exclusive rental car concession agreements and a Fifth Amendment to one existing non-exclusive rental car concession agreement covering rental services at the Los Angeles International Airport, to extend the respective terms for one year, to January 30, 2025, with an option to further extend the terms for six months, to July 30, 2025 for the 10 Concessionaire Rental Car Agencies that contribute approximately 96 percent of all gross revenues from rental car operations at the Los Angeles World Airports and is anticipated that this metric will remain consistent throughout the duration of the extended period:
 - a. LAA-8136 with Hertz Corporation.
 - b. LAA-8137 with Avis Rent A Car System, Inc.
 - c. LAA-8138 with Budget Rent A Car System, Inc.
 - d. LAA-8139 with Alamo Rental (US), LLC.
 - e. LAA-8140 with National Rental (US), LLC.
 - f. LAA-8141 with DTG Operations, Inc. dba Dollar Rent A Car.
 - g. LAA-8142 with Enterprise Rent-A-Car Company of Los Angeles, LLC.
 - h. LAA-8143 with Fox Rent A Car, Inc.
 - i. LAA-8144 with DTG Operations, Inc. dba Thrifty Car Rental.
 - j. Fifth Amendment to LAA-8870 with Sixt Rent A Car, LLC.
3. CONCUR with the Board's action on October 19, 2023, by Resolution 27817, authorizing the Interim Chief Executive Officer, Los Angeles World Airports, or designee, to execute the Amendments to said 10 Concession Agreements with Rental Car Companies.

Fiscal Impact Statement: The City Administrative Officer reports the Los Angeles World Airports indicates that the proposed rental car concession agreements with the 10 on-airport rental car companies identified herein, to continue rental car operations in and around the Los Angeles International Airport campus, will have no impact on the City's General Fund. The rental car concessionaires will continue to pay Los Angeles World Airports monthly rent through their respective lease agreements until the earlier of the Consolidated Rental-A-Car's Date of Beneficial Occupancy or January 30, 2025. No appropriation is required for the proposed actions. Revenues collected during the lease term will be remitted to the Los Angeles World Airports Revenue Fund. The actions of the proposed rental car concession agreements comply with the Los Angeles World Airports' adopted Financial Policies.

Community Impact Statement: None submitted.

TIME LIMIT FILE - FEBRUARY 21, 2024

(LAST DAY FOR COUNCIL ACTION - FEBRUARY 21, 2024)

SUMMARY

At a special meeting held on Thursday, February 8, 2024, your Trade, Travel and Tourism Committee considered a Board of Airport Commissioners report relative to 10 proposed Amendments to Rental Car Concession Agreements (LAA-8136 to LAA-8144, and LAA-8870) between the Los Angeles World Airports and Rental Car Companies for car services at Los Angeles International Airport. Authorizing the proposed extensions will allow the Department to continue generating ongoing revenue through rental car concession fees and Customer Facility Charges. Additionally, the proposed amendments will enable the on-airport rental car companies to continue utilizing their current concession spaces through the transition to the new ConRAC facility.

After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the report, as detailed above. This matter is now forwarded to Council for consideration.

Respectfully submitted,

TRADE, TRAVEL AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARK:	YES
McOSKER:	YES
SOTO-MARTINEZ:	YES

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– NOT OFFICIAL UNTIL COUNCIL ACTS –