

CATEGORICAL EXEMPTION and INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE COMMITTEE REPORT relative to the Amended and Restated Lease and License Agreement (Lease and Agreement) with Tom Bradley International Terminal Equipment Company (TBITEC) covering operation and maintenance of the aeronautical equipment at Los Angeles International Airport (LAX).

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.
2. APPROVE the Lease and Agreement with TBITEC covering operation and maintenance of the aeronautical equipment at LAX.
3. CONCUR with the Board's action of November 17, 2016 by Resolution No. 26114 authorizing the Chief Executive Officer, Los Angeles World Airports (LAWA), to execute the Lease and Agreement with TBITEC covering operation and maintenance of the aeronautical equipment at LAX.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that LAWA indicates that the proposed Lease and Agreement with TBITEC will result in revenue of approximately \$61,000,000 in the first year. In subsequent years, revenue will decline when the premises and equipment located in Terminals 2 and 3 are removed from the Agreement and replaced by equivalent facilities in Terminal 5. Since space in Terminals 2 and 3 will then be occupied by Delta Airlines, LAWA will recover the appropriate rent for space in those terminals directly through the Delta Lease. As new space comes on-line in the new Midfield Satellite Concourse and the Tom Bradley International Terminal, TBITEC will pay for this space at rates approved by the Board. The proposed Lease and Agreement will have no impact on the General Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE – JANUARY 29, 2017

(LAST DAY FOR COUNCIL ACTION – JANUARY 27, 2017)

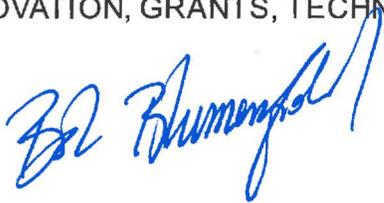
SUMMARY

At the meeting held on January 17, 2017, your Innovation, Grants, Technology, Commerce and Trade Committee considered a Board transmittal relative to the Lease and Agreement with TBITEC covering operation and maintenance of the aeronautical equipment at LAX. The CAO reports that TBITEC is a non-profit airline consortium that was originally formed in 1982 as the LAX Terminal Equipment Company (LAXTEC), comprised of 20 major international airlines who would occupy the new Tom Bradley International Terminal at LAX. On October 1, 2011, LAXTEC was transitioned to TBITEC due to changing requirements of LAWA. The TBITEC leases, operates, and maintains various aeronautical equipment, including the baggage system,

in the Tom Bradley International Terminal, Terminal 2, and Terminal 3 pursuant to Lease and License Agreement LAA-8600. An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the Board's transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE COMMITTEE



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

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-