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CATEGORICAL EXEMPTION and TRADE, COMMERCE, AND TECHNOLOGY COMMITTEE REPORT relative to a lease with Societe Air France (Air France) for a cargo facility at 5621 West Imperial Highway 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 five (5)-year lease with Air France.
3. CONCUR with the Board's action of November 5, 2015 by Resolution No. 25823 authorizing the Executive Director, Los Angeles World Airports (LAWA), to execute the lease with Air France for a cargo facility at 5621 West Imperial Highway at LAX.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the proposed lease between LAWA and Air France will result in annual revenue of approximately \$1,702,150 and approximately \$8,511,000 over the five-year term, excluding the automatic annual rental rate adjustments of not less than two percent based upon the Consumer Price Index. The proposed lease complies with LAWA's adopted Financial Policies and will have no impact on the City's General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – DECEMBER 17, 2015**

**(LAST DAY FOR COUNCIL ACTION – DECEMBER 16, 2015)**

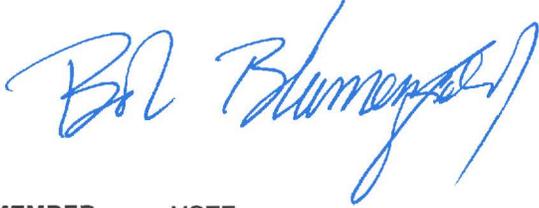
SUMMARY

At the meeting held on December 1, 2015, your Trade, Commerce and Technology Committee considered a LAWA transmittal relative to a five-year lease with Air France for the use of 292,486 square feet of land, auto paving, and a warehouse/office building located at 5621 West Imperial Highway at LAX. The CAO reports that the proposed lease is for warehouse and office space and truck parking to continue air cargo services that have operated under a 30-year lease that will expire on December 1, 2015. Expiration of the lease will result in title to the facility improvements made by Air France in 1986 and 1990 reverting to LAWA. If approved, the lease will allow Air France to continue its air cargo operations at LAX without interruption and enter into a new agreement as early as December 2, 2015 (concluding on November 30, 2020). An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal.

This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

TRADE, COMMERCE, AND TECHNOLOGY COMMITTEE



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

ME

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**