



December 22, 2025

The Honorable City Council
of the City of Los Angeles
(via email)

Subject: Termination and Partial Termination of Concession Agreements
and Convenience Termination Payments

For your consideration are the Termination of the Concession Agreement with DN/Dakota JME LAX 8589 Farmers (LAA-8589) and Partial Termination of Concession Agreements with DN/Dakota JME LAX 8549 Pucks LLC (LAA-8549), Hudson-Magic Johnson Enterprise-Concourse Ventures LLC (LAA-8550), LAX Retail Magic 2 JV (LAA-8551), LAX Retail Magic 3-4 JV (LAA-8542), Areas USA LAX LLC (LAA-8546), and Areas USA LAX LLC (LAA-8547), that were approved by the Board of Airport Commissioners at its December 18, 2025 meeting. There is no impact to the General Fund.

LAX
Van Nuys
City of Los Angeles

Karen Bass
Mayor

Board of Airport
Commissioners

Karim Webb
President

Matthew M. Johnson
Vice President

Vanessa Aramayo
Courtney La Bau
Victor Narro
Nicholas P. Roxborough
Valeria C. Velasco

John Ackerman
Chief Executive Officer

RECOMMENDATIONS FOR CITY COUNCIL:

1. Adopt the determination by said Board that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1 (18)(c) of the Los Angeles City CEQA Guidelines; and
2. Approve the Termination and Partial Termination of Concession Agreements and Convenience Termination Payments, in amount not to exceed \$25,000,000, for the concession units in Terminal 5 for Areas USA LAX LLC, DN/Dakota JME, and Hudson Group to enable the Terminal 5 Renovation and Reconstruction Project at Los Angeles International Airport; and
3. Concur with said Board's action on December 18, 2025, by Resolution 28290, authorizing the Los Angeles World Airports Chief Executive Officer, or designee, to execute the enclosed Release of Claims and Agreement, for each of the said Concession Agreements.

This document and its attachments are advisory only and do not constitute a complete and official submittal to the City Council. The official submittal, including this document and its attachments, will be submitted electronically to the City Council and the Council File Management System pursuant to Charter Section 606 via the City Clerk's website when the file is complete.

Very truly yours,


Grace Miguel, Commission Executive Assistant II
Board of Airport Commissioners Office
Los Angeles World Airports

Enclosures

cc: CAO (Airport Analyst), e-file
CLA (Airport Analyst), e-file

