



Item Number
3

Report to the BOARD OF AIRPORT COMMISSIONERS

Approver: *Marla Bleavins*
Marla Bleavins (Apr 30, 2025 17:54 PDT)
Marla Bleavins, Chief Airport Administrative Officer

Reviewer: *Brian C. Ostler*
Brian C. Ostler, City Attorney

John Ackerman
John Ackerman, Chief Executive Officer

Meeting Date

5/15/2025

Needs Council Approval: ☒ Y

Reviewed for/by	Date	Approval Status	By
Finance	4/24/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
CEQA	4/15/2025	<input checked="" type="checkbox"/> Y	AG
Procurement	4/14/2024	<input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond	JL
Guest Experience	4/23/2025	<input checked="" type="checkbox"/> Y	TB
Strategic Planning	4/21/2025	<input checked="" type="checkbox"/> Y	BNZ

SUBJECT

Request to adopt the following report; to approve the First Amendment to Lease VNA-9148 with Wise and Healthy Aging, a nonprofit corporation, extending the term by 38 months for office space in the Los Angeles World Airports-owned Aviation Plaza located at 16461 Sherman Way, Van Nuys, which will generate \$84,684 in net revenue over the 38-month term; and to appropriate funds in the amount of \$5,405.36 for broker commissions.

DISCUSSION

1. Purpose

The proposed amendment with Wise and Healthy Aging, a nonprofit corporation (Wise and Healthy) will allow Los Angeles World Airports (LAWA) to retain an existing tenant in good standing in the Aviation Plaza office building.

2. Prior Related Actions/History of Board Actions

- **June 15, 2017 – Resolution No. 26251**

The Board approved the Settlement, Lease Termination, Bill of Sale, and Assignment and Assumption Agreement between LAWA and Aviation Plaza, LLC pursuant to Lease VNA-5126 for 2.3 acres of land and a 54,600 square foot office building.

- **November 18, 2021 – Resolution No. 27380 (VNA-9148)**

The Board approved Office Lease VNA-6148 with Wise and Healthy for office space in Aviation Plaza for a 36-month term.

- **July 7, 2022 – Resolution No. 27530 (DA-5560)**

The Board approved a seven-year Property Management and Leasing Agreement with Colliers International Real Estate Management Services, Inc. (Colliers) for both Skyview Center at 6053 W. Century Boulevard and Aviation Plaza in Van Nuys for an amount not to exceed \$2.5 million.

3. Background

Los Angeles World Airports owns the Aviation Plaza office complex at VNY, and is actively marketing available office space to prospective tenants.

Wise and Healthy is a nonprofit organization that advances the dignity and quality of life of older adults and is currently on a month-to-month status, pending the approval of the proposed amendment.

4. Current Action/Rationale

Colliers and LAWA staff negotiated the terms of the proposed First Amendment with Wise and Healthy, which includes a rental rate increase from \$1.75 to \$1.90 per square foot with three percent annual increases. Additional terms of the proposed amendment are negotiated based on the tenant, size and condition of the office space, and market conditions. In accordance with LAWA's leasing incentives, the proposed amendment provides a rental abatement of \$4,833.60, which is the equivalent of two months of free rent that will be applied to the first year of the extended term. No tenant improvement allowance was negotiated.

5. Fiscal Impact

Approval of this item will generate \$84,684 of revenue to LAWA over the 38-month term after rental abatement and broker commissions are deducted.

6. Alternatives Considered

- ***Take No Action/Deny Request to Approve the Office Lease***

Taking no action is not recommended, as failing to approve the proposed office lease will risk the loss of the tenant, which would then result in the potential loss of revenue to LAWA.

- ***Lease Space to Another Tenant***

No other parties have expressed interest in the space and no prospective tenants are known to exist for these premises.

APPROPRIATIONS

Staff request that the Board appropriate funds in the amount of \$5,405.36 for broker commissions as approved in the Property Management and Leasing Agreement with Colliers at Aviation Plaza and Skyview Center.

STANDARD PROVISIONS

The Board is hereby requested to adopt staff's determination that this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.

The Board is hereby further requested to authorize the Chief Executive Officer, or designee, to execute the First Amendment to Lease VNA-9148 with Wise and Healthy Aging, a nonprofit corporation, subject to approval as to form by the City Attorney and approval by the Los Angeles City Council.

Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606.