



Item Number
6

Report to the BOARD OF AIRPORT COMMISSIONERS

Approver:

Marla Bleavins

Marla Bleavins, Chief Airport Administrative Officer

Reviewer:

Brian C. Ostler

Brian C. Ostler, City Attorney

John Ackerman

John Ackerman, Chief Executive Officer

Meeting Date

7/17/2025

Needs Council Approval: ☒ Y

Reviewed for/by	Date	Approval Status	By
Finance	6/25/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
CEQA	6/17/2025	<input checked="" type="checkbox"/> Y	AG
Procurement	6/25/2025	<input type="checkbox"/> Y <input checked="" type="checkbox"/> Cond	JL
Guest Experience	6/24/2025	<input checked="" type="checkbox"/> Y	TB
Strategic Planning	6/20/2025	<input checked="" type="checkbox"/> Y	BNZ

SUBJECT

Request to adopt the following report and approve the award of a lease to L&W World, LLC, for an off-airport property located at 6550 Odessa Avenue at Van Nuys Airport for a term of up to 30 years that will generate revenue of \$185,000 in the first year and approximately \$5,550,000 over the term of the lease, exclusive of rental rate adjustments.

DISCUSSION

1. Purpose

The proposed lease will allow L&W World, LLC, (L&W) to operate and maintain an existing golf course and related facilities that provide recreational activities to the local community and generate non-aeronautical revenue.

2. Prior Related Actions/History of Board Actions

- **December 6, 2010 – Board Order No. AO-5293 (Lease No. VNA-8553)**

The Board approved a ten-year lease with Van Nuys Golf Management Partners LLC (VNGMP) for properties located at 6550 Odessa Avenue in Van Nuys (VNY).

- **November 7, 2019 – Resolution No. 26873 (Lease No. VNA-8553)**

The Board approved the First Amendment to lease with VNGMP to provide rent relief and cover operation of a golf course located at 6550 Odessa Avenue in VNY.

3. Background

The demised premises consist of 56.29 acres of non-aviation land, which includes approximately 5,929 square feet (sqft.) of clubhouse space, 509 sqft. of dining space, and 1,195 sqft. of retail space. The prior lease (VNA-8553) expired in June 2021, but VNGMP continued to maintain and operate the site under a month-to-month lease.

To meet the groundskeeping and maintenance needs of the golf range during the summer months, Los Angeles World Airports (LAWA) will end its month-to-month lease with VNGMP and enter into a short-term lease with L&W as an interim solution. This temporary lease will be replaced by the proposed lease if it is approved.

4. Current Action/Rationale

The proposed lease, consisting of an initial five-year term with two extension options, will allow for a total term of up to 30 years. The rental rate will be \$3,287 per acre per year, applicable to the total acreage of the site. This rate, proposed by L&W during the Request for Proposals (RFP) process, will result in an annual rental amount of \$185,000, which exceeds the minimum rent requirement of \$183,000 and reflects the valuation of the recreational land. The rate will be subject to annual adjustments tied to the Consumer Price Index. These adjustments will range from two to seven percent and will take effect every July 1st, except in the years when a fair market rental adjustment is conducted, starting on the fifth anniversary and every five years thereafter. In addition to the annual rent, L&W will pay two percent of its gross receipts to LAWA, effective from the sixth anniversary of the lease.

Under the proposed lease, L&W will be responsible for the maintenance and repair of the demised premises. L&W will also invest a minimum of \$5 million within the initial five-year term for a potential major renovation of the recreational facilities, enabling a 15-year extension option upon completion. In addition, a further minimum investment of \$4 million within 20 years will allow for a second 10-year extension option, totaling up to 30 years.

5. Selection Process

In April 2024, LAWA released an RFP for the aforementioned site. L&W was the sole proposer. This decision to award was based in part on L&W's financial proposal, which exceeded the minimum annual land rent specified in the RFP and includes two percent of gross receipts starting in year six. In addition, L&W is committed to investing a minimum of \$9 million in significant potential renovations to the existing site improvements.

6. Fiscal Impact

Approval of the proposed lease will generate \$185,000 in the first year and approximately \$5.5 million over the term, excluding annual and periodic adjustments.

7. Alternatives Considered

- ***Take No Action***

Taking no action is not recommended, as it would hinder potential renovations of the existing recreational facilities and could lead to a loss of the proposed increased revenue for LAWA.

APPROPRIATIONS

No appropriation of funds is required for this action.

STANDARD PROVISIONS

The Board is hereby requested to adopt staff's determination that this item, involving issuance of permits, leases, agreements, gate and space assignments, and renewals, amendments or extensions thereof, or other entitlements granting use of existing airport facilities or its operations is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article III, Class 1 (18)(c) of the Los Angeles City CEQA Guidelines.

The Board is hereby further requested to authorize the Chief Executive Officer, or designee, to execute the proposed lease with L&W World, LLC subject approval by the Los Angeles City Council and approval as to form by the City Attorney.

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.