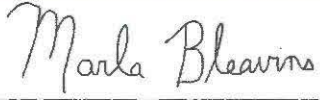






Item **3** ber

## Report to the BOARD OF AIRPORT COMMISSIONERS

<b>Approver:</b>  Marla Bleavins, Chief Airport Administrative Officer	<b>Meeting Date</b> 8/21/2025			
	<b>Needs Council Approval:</b> <input checked="" type="checkbox"/> Y			
	<b>Reviewed for/by</b>	<b>Date</b>	<b>Approval Status</b>	<b>By</b>
<b>Reviewer:</b>  Brian C. Ostler, City Attorney	Finance	8/1/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
	CEQA	7/29/2025	<input checked="" type="checkbox"/> Y	AG
	Procurement	8/5/2025	<input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond	JL
	Guest Experience	7/29/2025	<input checked="" type="checkbox"/> Y	TB
	Strategic Planning	7/29/2025	<input checked="" type="checkbox"/> Y	BNZ
 John Ackerman (Aug 7, 2025 14:23:23 PDT) John Ackerman, Chief Executive Officer				

### SUBJECT

Request to adopt the following report; to approve the Second Amendment to Office Lease LAA-9039 with Frankfurt-Short-Bruza Associates, PC, an Oklahoma professional corporation dba Frankfurt-Short-Bruza Associates, Inc. to extend the term by 38-months for office space in the Los Angeles World Airports-owned Skyview Center, located at 6033 West Century Boulevard, which will generate approximately \$159,230 in net revenue over the extended term; and to appropriate funds in the amount of \$10,164 for broker commissions.

### DISCUSSION

#### 1. Purpose

The proposed amendment will extend the current office lease term by 38 months and retain an existing tenant in good standing at Skyview Center (Skyview).

#### 2. Prior Related Actions/History of Board Actions

- **September 7, 2017– Resolution No. 26324 (LAA-8976)**

The Board of Airport Commissioners (Board) approved a lease with Frankfurt-Short-Bruza (FSB) Associates, Inc. for a 38-month term in Suite 950, which expired on November 30, 2020.

- **August 16, 2018 – Resolution No. 26560 (LAA-9039)**

The Board approved a lease with FSB Associates, Inc. for a 38-month term in Suite 350A which expired on June 30, 2022.

- **November 19, 2020 – Resolution No. 27141 (LAA-8976A)**

The Board approved the First Amendment with FSB Associates, Inc. to extend the term for 12 months in Suite 950 which expired on November 30, 2021.

- **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 offices at 6033 and 6053 W. Century Boulevard and Aviation Plaza in Van Nuys for an amount not to exceed \$2.5 million.

- **July 21, 2022 – Resolution No. 27538 (LAA-9039A)**

The Board approved the First Amendment with FSB Associates, Inc. to extend the term for 39-months in Suite 350A which expires on September 30, 2025.

### **3. Background**

Los Angeles World Airports (LAWA) purchased the Skyview office complex in 2013. Currently, 114,081 square feet, or 27.3 percent of the space, is available to lease. FSB Associates is an architects and engineers firm that has been at Skyview since 2017.

### **4. Current Action/Rationale**

The terms of the proposed Second Amendment with FSB Associates include a rental rate of \$2.80 per square foot with three percent annual increases. In accordance with LAWA's leasing incentives, the proposed amendment provides a rental abatement of \$9,089, which is the equivalent of two months of free rent that will be applied to the first year of the extended term.

### **5. Fiscal Impact**

Approval of this item will generate \$159,234 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 Second Amendment***

Taking no action is not recommended, as failing to approve the proposed amendment will risk the loss of the tenant, which could then result in a loss of revenue to LAWA.

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

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

## **APPROPRIATIONS**

Staff request that the Board appropriate funds in the amount of \$10,163.89 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, 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 said Second Amendment to Office Lease with Frankfurt-Short-Bruza Associates, PC subject to 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.