



Report to the
BOARD OF AIRPORT COMMISSIONERS
Meeting Date: 10/16/2025

12
Item No.

Approved by:	Marla Bleavins Chief Airport Administrative Officer	
ITEM TYPE	<input type="checkbox"/> Award <input type="checkbox"/> Amendment <input type="checkbox"/> Appropriation <input type="checkbox"/> Policy/Program <input checked="" type="checkbox"/> Other: <u>Concession Agreements Change of Control</u>	
SUBJECT	Request to adopt the following report and to approve a Consent to Change of Control of Delaware North Companies Travel Hospitality Services, Inc. to Areas USA, Inc. affecting Concession Agreements LAA-8589 and LAA-8549 covering food and beverage concessions at Los Angeles International Airport.	

☒ Item REQUIRES City Council Approval. ☐ Item is subject only to STANDARD REVIEW by the City Council.

DISCUSSION

1. Background and Necessity of Requested Action

10-21-2010	Board of Referred Powers	Concession Agreement
The Board of Referred Powers approved Concession Agreement LAA-8549 between Los Angeles World Airports (LAWA) and THS/Marbella Food Service Partnership IV.		
06-06-2011	Resolution #24466	Concession Agreement
Approved Concession Agreement LAA-8589 between LAWA and Delaware North Companies Travel Hospitality Services, Inc. (DNC/THS) M/D Food Group.		

Delaware North Companies Travel Hospitality Services, Inc. (DNC/THS) currently holds two Concession Agreements at Los Angeles International Airport (LAX) directly with LAWA. In Terminal 5 (T5), Concession Agreement LAA-8589 covers the T5 food court and two coffee locations. Concession Agreement LAA-8549 covers a casual dining/bar concept in both T5 and Terminal 7 (T7). The agreements had terms of ten years, but each was extended two years due to COVID-19, and then an additional four years to postpone the replacement of all concession locations in Terminals 5 and 7 until after the 2026 FIFA World Cup and 2028 Summer Olympic and Paralympic Games.

On July 29, 2025, DNC/THS sent a letter to LAWA requesting:

- Consent to the Change of Control;

- Acknowledgement that the consummation of the Transaction, including without limitation, the Change of Control, shall not be deemed a breach or default of the Concession Agreement;
- Release and waiver of all termination rights or other procedural requirements that may arise under the terms of the Agreement as a result of the Change of Control, and;
- Acknowledgement that the Change of Control will remain in full force and effect following the Transaction.

The proposed Change of Control between DNC/THS and Areas, USA (Areas) will allow Areas to operate the concessions currently under Concession Agreements LAA-8549 and 8589.

2. **Fiscal Impact:** ☒ None. ☐ Revenue generation. ☐ Cost/cost recovery. ☐ Other.

3. **Alternative Actions:** ☐ Alternatives considered. ☒ No alternatives considered.

APPROPRIATIONS

☐ Appropriation required. ☒ No appropriation required. ☐ Funding is available.

INCLUSIVITY & IMPACT

☐ Goals/requirements identified. ☐ No goals/requirements stipulated. ☒ N/A or other.

PROVISIONS

The Chief Executive Officer has approved this item.

The Board of Airport Commissioners is hereby requested to adopt staff's determination that the requested action is exempt from the California Environmental Quality Act (CEQA) 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 both Consent to Change of Control of Delaware North Companies Travel Hospitality Services, Inc. to Areas USA, Inc., pursuant to Concession Agreements LAA-8589 and LAA-8549, 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.

-