

RESOLUTION NO. 28393

WHEREAS, on recommendation of Management, there was presented for approval, Award of a twelve (12)-year Concession Agreement, with a three (3)-year extension option, to Hudson Group (HG) Retail LLC covering development, management, and operation of retail concessions in Terminal 4 at Los Angeles International Airport; and

WHEREAS, Terminal 4 is currently undergoing terminal-wide renovations as part of the \$1.6 billion Terminals 4 and 5 Modernization Program facilitated by American Airlines. To enable the terminal renovation work, most of the concessions at Terminal 4 were terminated as of January 2024. The new terminal will provide new local and national retail and food & beverage brands including sit-down restaurants, grab and go, specialty bars, several coffee options, and a variety of shopping opportunities; and

WHEREAS, the completion of the Terminals 4 and 5 Modernization Program is expected by early 2028. Los Angeles World Airports (LAWA) will phase the implementation of new Terminal 4 concessions as spaces become available from the American Airlines project. The first phase of new spaces is anticipated to be delivered to LAWA in quarter four of 2026, and the second phase is targeted for quarter three of 2027; and

WHEREAS, the operation of terminal concessions requires specialized commercial expertise, established supply chains, and branded retail and food service capabilities that City of Los Angeles (City) employees do not possess. Utilizing private concessionaires enables LAWA to maximize revenue through competitive agreements, provide high-quality and diverse passenger amenities, and transfer operational and financial risks to experienced operators in a way that cannot be feasibly or economically be performed by City employees; and

WHEREAS, in July 2025, LAWA released a Request for Proposals (RFP) for Concession Agreement of Property Los Angeles World Airports Terminal 4 Concessions Opportunity for food & beverage and retail opportunities. The concession opportunities were bundled into the following four (4) packages:

> Package A:

Food & Beverage A: First Class Marketplace – 5,184 square feet

- Retail Market – 1,270 square feet
- Coffee – 938 square feet
- Specialty Bar – 602 square feet
- Quick Service Retail – 1,004 square feet
- Pre-Security Coffee – 1,370 square feet

> Package B:

Food & Beverage B: Locally Brewed, Timelessly Cool, LA Dining – 6,073 square feet

- Fast Casual Dining/Brew-Pub – 2,016 square feet
- Coffee – 713 square feet
- Full-service Restaurant – 3,344 square feet

LAX

Van Nuys

City of Los Angeles

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Board of Airport
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> Package C:

Food & Beverage C: LA Food Hall & Libations – 6,145 square feet

- Quick Service Retail (Burger) – 790 square feet
- Quick Service Retail (Healthy) – 755 square feet
- Quick Service Retail (International) – 755 square feet
- Themed Bar with Coffee – 700 square feet
- Remote Prep Kitchen (optional) – 3,145 square feet

> Package D:

High Altitude Retail – 4,411 square feet

- Travel Essentials/Blended Retail – 1,249 square feet
- Travel Essentials/Blended Retail – 1,471 square feet
- Blended Retail – 1,185 square feet
- Blended Retail/Incubator – 506 square feet; and

WHEREAS, in November 2025, LAWA received seven (7) proposals from the following entities and reviewed each proposal for Concepts, Design and Implementation; Experience Operating Concessions; Business Operations Management; Financial Capability; and Financial Proposal:

- Areas LAX 4 JV LLC
- Born Real LLC
- GRAH Investments LLC
- Greater Than DD LLC
- Host International Inc.
- Hudson Group (HG) Retail LLC
- The Marshall Retail Group LLC; and

WHEREAS, two of the said proposers—Born Real LLC and GRAH Investments LLC—were deemed non-responsive. Upon completion of the evaluation process, LAWA selected the following proposers per package:

- Package B: Areas LAX 4 JV LLC
- Package C: Host International Inc.
- Package D: Hudson Group (HG) Retail LLC; and

WHEREAS, Package A will be presented to the Board of Airport Commissioners and City Council for award in a separate action; and

WHEREAS, LAWA received a protest regarding the award of Package D to Hudson Group (HG) Retail LLC. LAWA's General Counsel found that the protest has no merit for the reasons communicated as Hudson Group (HG) Retail LLC was the higher scoring proposal before and after the negotiations, and the RFP did not require LAWA to negotiate exclusively with one proposer at a time; and

WHEREAS, the Concession Agreement will generate approximately \$4,250,000 in revenue in the first year and a minimum of \$51,000,000 over the twelve (12)-year term; and

WHEREAS, 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;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners hereby adopted the staff report; further adopted staff's determination that the requested action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.i of the Los Angeles City CEQA Guidelines; found that Charter Section 1022 is applicable to this action; approved the Award of a twelve (12)-year Concession Agreement, with a three (3)-year extension option, to Hudson Group (HG) Retail LLC covering development, management, and operation of retail concessions in Terminal 4 at Los Angeles International Airport; and authorized the Chief Executive Officer, or designee, to execute said Concession Agreement with Hudson Group (HG) Retail LLC subject to approval by the Los Angeles City Council and approval as to form by the City Attorney.

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I hereby certify that this Resolution No. 28393 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, June 18, 2026.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS