LAWA
LOS ANGELES WORLD AIRPORTS

Report to the
BOARD OF AIRPORT COMMISSIONERS
Meeting Date: 8/27/2026

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Approved by:	**Jean-Pierre Tabet** Deputy Executive Director Commercial Development Group	
ITEM TYPE	☒ Award ☐ Amendment ☐ Appropriation ☐ Policy/Program ☐ Other	
SUBJECT	Request to adopt the following report and approve a one-year Lease, with a one-year extension option, with Société Air France, and associated building rental rate, covering certain premises located at 5621 West Imperial Highway at Los Angeles International Airport, generating approximately $6,435,156 in revenue over the potential two-year term, exclusive of rental rate adjustments.	

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

DISCUSSION

1. Background and Necessity of Requested Action

04-14-2022	Resolution #27474 (LAA-9163)	Award
Established a 30-month lease with Société Air France (Air France) for cargo facilities at 5621 West Imperial Highway at Los Angeles International Airport (LAX).		

Los Angeles World Airports (LAWA) is currently advancing comprehensive planning efforts to evaluate the future of cargo operations and facilities at LAX. These efforts involve extensive coordination among LAWA divisions, industry stakeholders, consultants, and developers to assess long-term operational requirements, infrastructure needs, and redevelopment opportunities across the airport's cargo network. Given the complexity and scale of these initiatives, additional time is required to complete the analyses and planning activities necessary to inform future development decisions.

As part of these efforts, LAWA is evaluating the future of the Imperial Cargo Complex (ICC), a key component of the airport's cargo system that serves as a central hub for cargo operations at LAX. While these planning activities continue, LAWA seeks to maintain operational continuity throughout the ICC and avoid disruptions to existing aeronautical users and cargo-related services.

Air France currently occupies premises within the ICC at 5621 West Imperial Highway under Lease LAA-9163, which has expired and is presently in holdover status. Los Angeles World Airports proposes a short-term lease consisting of an initial one-year term with one one-year extension option to formalize the tenant's continued occupancy, while aligning building rental rates with current market conditions, as reflected by proposals received for a similar facility under a recent competitive process, while broader cargo planning efforts are completed. Approval of the lease would transition the tenant out of holdover status, support uninterrupted cargo operations, and provide LAWA with the flexibility necessary to finalize future cargo redevelopment plans affecting the ICC. The proposed short-term leasing strategy will generate approximately $1,153,192 (21.83%) in additional gross rental revenue over the lease term, including the extension option.

Failure to approve the Lease could disrupt LAWA's efforts to transition existing cargo tenants out of holdover status while broader cargo planning initiatives remain underway.

2. **Selection Process:** ☐ Competitive process. ☐ Other process. ☒ Not applicable.

   ☐ Request to find that Charter Sec. 1022 is applicable to this action.

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

   The proposed lease will generate approximately $3,095,338 in revenue during the initial lease year. Total revenue over the potential two-year term is estimated at approximately $6,435,156, excluding any rental rate adjustments that may occur in accordance with the terms and conditions of the lease.

4. **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 III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines, which applies to the issuance of permits, leases, agreements, berth and space assignments, and renewals, amendments, or extensions thereof involving existing facilities and land use areas with negligible or no expansion of use and/or no alteration or modification of the facilities or operations beyond that previously existing or permitted.

The Board is hereby further requested to approve the building rental rate and authorize the Chief Executive Officer, or designee, to execute the Lease with Société Air France 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.