LOS ANGELES WORLD AIRPORTS

RESOLUTION NO. 28479

WHEREAS, on recommendation of Management, there was presented for approval, Award of a Lease to VNY Development II LLC, a Delaware limited liability company wholly owned by Sky Harbour Group Corporation, a Delaware corporation, for an initial five (5)-year term, which may be extended for up to two (2) additional years for unforeseen construction delays, with one (1) additional twenty-five (25)-year extension option, for a maximum term of thirty-two (32) years, covering use and potential redevelopment of a general aviation facility located at 16425 Hart Street at Van Nuys Airport; and

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

Board of Airport Commissioners

Matthew M. Johnson
President

Vanessa Aramayo
Vice President

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Courtney La Bau
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John Ackerman
Chief Executive Officer

WHEREAS, in December 2025, Los Angeles World Airports (LAWA) staff released a Request for Proposals (RFP) seeking a qualified operator to lease and redevelop a general aviation facility located at 16425 Hart Street at Van Nuys Airport (VNY) consisting of 8.83 acres of land and 69,400 square feet of combined hangar and office space. Approximately 7.66 acres are currently zoned as general aviation land and approximately 1.17 acres are currently zoned for commercial use; and

WHEREAS, in April 2026, LAWA received two proposals in response to the RFP. Following the evaluation process, VNY Development II LLC was determined to be the highest ranked proposer. LAWA subsequently completed negotiations for the above-mentioned term; and

WHEREAS, under the lease, VNY Development II LLC has committed to investing approximately $23 million to modernize and potentially redevelop the property. VNY Development II LLC will attempt to change the zoned use of the portion of the property currently zoned for commercial use and seek all governmental approvals necessary to construct proposed improvements. The proposed improvements may include the renovation and modernization of existing hangars, development of additional hangar and office space, ramp and aircraft parking improvements, sustainability enhancements, and construction of tenant amenities to support home-based aircraft operations. If VNY Development II LLC is unable to rezone the commercial portion of the property to general aviation use, the proposed improvements may include a facility for office and/or other commercial use with less development space dedicated to hangar and other aviation uses. The lease does not approve nor authorize construction of any proposed improvements. Lessee shall not proceed with any future development or any renovation plan prior to compliance with the California Environmental Quality Act (CEQA), the National Environmental Policy Act, and all other applicable laws; and

WHEREAS, during the proposed redevelopment phase, VNY Development II LLC will create 227 temporary construction-related positions. Once fully operational, VNY Development II LLC will create 120 permanent positions. Over the course of the redevelopment and ongoing operations, lessee will create a total of 347 positions, 120 of which will be permanently sustained. In addition to the 347 job opportunities that will be created, VNY Development II LLC will contribute to the community through a fully self-funded program, in conjunction with Sky Harbour Academy to train up to 12 local interns annually in preparation for careers as certified aviation line service technicians; and

WHEREAS, VNY Development II LLC also promotes diversity, equity, and inclusion through partnerships with Minority Business Enterprises, Disadvantaged Business Enterprises, Small Business Enterprises, Disabled Veteran Business Enterprises, and Women Business Enterprises and will implement inclusive procurement through LAWA's business inclusion program, local network inclusion channels, and through a labor agreement partnership with LiUNA's Local 300 of

Los Angeles. VNY Development II LLC's commitment to the local community includes partnerships with local organizations such as the Los Angeles Chapter of the Tuskegee Airmen Inc., Experimental Aircraft Association – Chapter 40, and LAUSD's North Valley Occupational Center, focusing on career opportunities for historically underrepresented communities establishing training and long-term career placement; and

WHEREAS, the lease will generate long-term revenue to LAWA while supporting facility modernization, capital improvements, sustainability objectives, workforce development, and economic development at VNY; and

WHEREAS, the lease will generate a minimum of $29.24 million in revenue over the full thirty-two (32)-year term, assuming the extension option is exercised and annual supplemental rent of $100,000 begins in year 3, excluding revenue sharing related to proposed hangar development and any rate adjustments; and

WHEREAS, actions taken on this item by the Board 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 adopted the staff report; further adopted staff's determination that the requested action is categorically exempt from CEQA pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines, as the requested action consists of the approval of a lease for the use of existing municipal airport facilities; approved the Award of a Lease to VNY Development II LLC, a Delaware limited liability company wholly owned by Sky Harbour Group Corporation, a Delaware corporation, for an initial five (5)-year term, which may be extended for up to two (2) additional years for unforeseen construction delays, with one (1) additional twenty-five (25)-year extension option, for a maximum term of thirty-two (32) years, covering use and potential redevelopment of a general aviation facility located at 16425 Hart Street at Van Nuys Airport; and authorized the Chief Executive Officer, or designee, to execute said Lease with VNY Development II 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. 28479 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Wednesday, September 23, 2026.

Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS