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Item Number

Report to the BOARD OF AIRPORT COMMISSIONERS

Approver:  Terri Mestas (Dec 1, 2023 07:48 PST) Terri Mestas, Chief Development Officer	Meeting Date 12/7/2023			
	Needs Council Approval: <input type="checkbox"/> Y			
Reviewer:  Brian C. Ostler, City Attorney  Beatrice Hsu (Dec 1, 2023 14:44 PST) Beatrice Hsu, Interim Chief Executive Officer	Reviewed for/by	Date	Approval Status	By
	Finance	11/21/2023	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS
	CEQA	11/21/2023	<input checked="" type="checkbox"/> Y	BMS
	Procurement	11/16/2023	<input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond	BG
	Guest Experience	11/15/2023	<input checked="" type="checkbox"/> Y	TB
Strategic Planning	11/21/2023	<input checked="" type="checkbox"/> Y	BHZ	

SUBJECT

Request to approve the LAX Specific Plan Compliance Review Determination recommendation set forth in the Executive Director's Report for LAX Northside Areas 1 and 2A Recreation Project (Lulu's Place Recreation Project).

RECOMMENDATIONS

Management RECOMMENDS that the Board of Airport Commissioners:

- ADOPT the Staff Report.
- DETERMINE that, pursuant to the Public Resources Code Section 21166 and California Environmental Quality Act (CEQA) Guidelines 15162, implementation of the Lulu's Place Recreation Project would not result in new significant impacts or a substantial increase in the severity of any significant impacts identified in the Environmental Impact Report the Board of Airport Commissioners certified for the Los Angeles International Airport Northside Plan Update (Resolution No. 25654 State Clearinghouse Number 2012041003) on March 12, 2015.
- FIND that the Lulu's Place Recreation Project complies with the LAX Plan, any design guidelines and standards required by the LAX Specific Plan, and all applicable provisions of the LAX Specific Plan, as fully set forth in the Executive Director's Report.
- FURTHER FIND that the environmental effects of the Lulu's Place Recreation Project have been assessed in compliance with CEQA.

5. APPROVE the request for Los Angeles International Airport Specific Plan Compliance with conditions, as recommended in the Executive Director's Report.

Condition No. 1: Prior to the construction of, or issuance of any building permits or building clearances for any recreation improvement set forth in attachment 3 of the EDR, the applicant shall submit preliminary plans to LAWA's Development Group (The Development Group or "TDG") Environmental Planning Unit (EPU). The submitted preliminary plans and working drawings shall include sufficient detailed information to confirm compliance with all applicable Mitigation Measures, Project Design Features, Commitments, and LAX Northside Design Guidelines and Standards. Applicability to be determined by LAWA.

Condition No. 2: All plan submittals to TDG EPU shall be in coordination with the Department of City Planning, as outlined in DCP Consistency Determination, for confirmation of consistency review of the LAX Northside Design Guidelines and Standards. No changes, additions, or alterations shall be made in the working drawings or specifications without first obtaining the confirmation from LAWA TDG EPU that the revised working drawings or specifications comply with applicable LAX Northside Design Guidelines and Standards. The contractor shall be allowed to pull building permits as working drawings become available and LAWA TDG EPU confirms that working drawings are in compliance.

DISCUSSION

1. Purpose

The purpose of this action is to consider the Executive Director's Report (EDR) which recommends the Board of Airport Commissioners (Board) approve, with conditions, the Los Angeles International Airport (LAX) Specific Plan Compliance Determination requested in the application submittal by the tenant, Lulu's Place, Inc., for the LAX Northside Areas 1 and 2A Recreation Project.

2. Prior Related Actions/History of Board Actions

- **March 12, 2015 – Resolution No. 25654**
The Board certified an Environmental Impact Report (EIR) for the LAX Northside Plan Update State Clearinghouse Number 2012041003 and approved the LAX Northside Plan Update and the LAX Northside Design Guidelines and Standards.
- **March 17, 2016 – Resolution No. 25922**
The Board adopted an addendum to the previously-certified Final EIR for the LAX Northside Plan Update Project and recommended the Los Angeles City Council approve the amended LAX Specific Plan Ordinance and Addendum.
- **October 5, 2017 – Resolution No. 26359**
The Board approved a lease with the City of Los Angeles Department of Public Works, Bureau of Sanitation (BOS), for development of an underground Storm Water Facility located in part of the eastern portion of Northside Area 1. The lease, which was subject to FAA review, authorized uses to include recreational surface improvements as permitted by the LAX Plan and LAX Specific Plan.

- **June 14, 2018 – Resolution No. 26515**
The Board approved an updated 50-Year Lease with the City of Los Angeles Department of Public Works, BOS, for the Argo Drain Sub-Basin Storm Water Facility at Los Angeles International Airport.
- **December 1, 2022 – Resolution No. 27638**
The Board approved a lease for up to 50 years with Lulu’s Place, Inc., a California nonprofit public benefit corporation, for the potential development of open space and recreational facilities in a portion of the LAX Northside Campus Areas 1 and 2A.

3. Background

Planning and redevelopment of the LAX Northside began over 40 years ago when LAWA sought to address compatibility with neighborhoods to the north of LAX. In the 1970s, LAWA acquired the LAX Northside in part using FAA grants that require the conversion of the project site to compatible land uses near airport operations at LAX.

The LAX Northside area consists of approximately 340 acres and is bounded by Sepulveda Westway and Sepulveda Boulevard to the east; LAX to the south; South Pershing Drive to the west; and generally, 91st Street, Westchester Avenue, and 88th Street to the north.

The LAX Northside is governed by the City of Los Angeles’ land use policy and related ordinances. The LAX Plan and LAX Specific Plan, adopted by the Los Angeles City Council in 2015 (which was subsequently updated in 2017), provide the long-range land use policies and regulatory framework for determining compliance by proposed development projects. These plans, along with the LAX Northside Design Guidelines and Standards, were approved by the Board, which also certified the Final EIR for the LAX Northside Update per the CEQA.

Los Angeles World Airports started the CEQA environmental review process and analysis for the Plan Update in 2012 and released the draft EIR for public comment in 2014. The EIR evaluated land uses and potential development on all areas of the LAX Northside site. The EIR analysis reviewed potential environmental impacts and developed mitigation measures to minimize impacts and ensure compatibility with the surrounding community. The analysis covered all topics required by CEQA, as well as issues (such as traffic, noise, and lighting pollution) raised during the public comment period by individuals, organizations, and public agencies.

In 2019, in anticipation of the release of a Request for Qualifications to develop Area 2 of the LAX Northside Subarea, LAWA conducted community outreach and held a collaborative design study ("charette") to discuss the open space portion of the LAX Northside Subarea.

In 2021, LAWA issued a Request for Proposals (RFP) for the property referred to as the "Bow Tie Parcel" for all of Area 2 and 2A, consisting of about 70 acres to be developed for a mix of commercial and recreational uses. The RFP included the report from the design charette to inform developers about the community's priorities for the open space portion of the land. The RFP also included the Alliance for a Regional Solution to Airport Congestion Memorandum of Understanding commitment, subject to FAA approval, that the winning developer would contribute up to \$4.2 million toward the development of active recreational uses on the surface of the BOS Facility in Area 1.



Figure 1 – Lulu's Place Plan Location

Los Angeles World Airports received proposals from two teams. One team included the Kimmelman Family Foundation's proposal to develop the Carol Kimmelman Athletic and Academic Campus (Lulu's Place) on the open space portion of the "Bow Tie Parcel." Their proposal also contemplated developing open space and recreational facilities separately on the surface portion of Area 1. The proposal included tennis courts, soccer and athletic fields, as well as a community garden, dog park, and other recreational facilities. While the RFP was terminated and a deal was not reached for Areas 2C, 2D, and 2E, the Kimmelman Family Foundation approached LAWA to lease Area 2A and portions of Area 1 separately from the "Bow Tie Parcel" for the purpose of developing open space and recreational facilities.

In December of 2022, the Board approved a lease for up to 50 years with Lulu's Place, Inc., a California nonprofit public benefit corporation, for the potential development of open space and recreational facilities in a portion of the LAX Northside Campus Areas 1 and 2A.

4. Current Action/Rationale

LAX Specific Plan Section 7 states that no grading permit, building permit, or use of land permit shall be issued, and no construction shall occur on any project within the LAX Northside Subarea unless the Board grants an LAX Specific Plan Compliance approval pursuant to the procedures set forth therein.

Lulu's Place, Inc., now seeks Specific Plan Compliance approval for the Lulu's Place Recreation Project development of open space and recreational facilities in a portion of the LAX Northside Campus Areas 1 and 2A. Area 1 would include two youth soccer fields, a full-size soccer field, a playground area, a dog park, a picnic area and overlook, surface parking, and facilities ancillary to recreation use, such as storage and restrooms. The ancillary buildings within Area 1 would be up to a total of 2,000 square feet. The internal

road to access the existing Jet Pets facility (on the western portion of Area 1) would be maintained but would be relocated to facilitate placement of the proposed recreational uses in Area 1. Internal walking paths would provide pedestrian connectivity between the proposed recreational facilities within Area 1. Surface parking would be provided on the northeastern portion of Area 1 from an existing driveway off Falmouth Avenue.

Development of Area 2A would include various recreational uses, including a multi-purpose field, two volleyball courts, four basketball courts, twenty-four tennis courts, and eight junior tennis courts, which could be used for tennis and pickleball. Facilities ancillary to the recreation uses would include a welcome center, wellness and fitness zone, a scheduling desk, and other ancillary buildings for storage, restrooms, maintenance, and security. Total building development in Area 2A would be up to 36,000 square feet. Specifically, the welcome center would consist of up to 20,000 square feet of building area, including a lobby, meeting rooms, locker rooms, restrooms, storage, athletic supplies shop, grab-and-go snack shop, and administrative support offices. The other 16,000 square feet of development would consist of the wellness and fitness zone facility, tennis scheduling desk facility, and other ancillary buildings. The wellness and fitness zone facility includes areas for indoor athletic training, (e.g., stretching, physical conditioning, and coaching), as well as storage and locker areas.

The tennis scheduling desk facility would be where players could obtain schedule information on the various courts and would also include storage, locker areas, and a snack room. Both the wellness and fitness zone and scheduling desk facilities would be located between the tennis courts and provide roof access to view adjacent play from above the courts. Other ancillary facilities would include storage, restrooms, maintenance, and security. These facilities would be ancillary to the recreational facilities as they could serve people already utilizing the proposed project site for recreational purposes and would not attract non-recreational visitors to the site. Surface parking would be provided on the western portion of Area 2 from a driveway off Falmouth Avenue. Sports fields and courts would be lit with directional lighting, when in use, and building and area security lighting would be provided. The recreation project site would be fenced and secured, and hours of operation would be established to restrict overnight use.

Los Angeles World Airports completed the EIR for the LAX Northside Plan Update, which updated the LAX Specific Plan, in 2015 (Certified EIR; SCH No. 2012041003) and issued and filed a Notice of Determination with the Los Angeles County Clerk on March 16, 2015.¹ The Certified EIR analyzed the potential environmental impacts that could result from development of approximately 340 acres in LAX Northside Subarea of the LAX Specific Plan area. The approved LAX Northside Plan Update consists of 2,320,000 square feet of development, including a mix of employment, retail, restaurant, office, hotel, research and development, higher education, civic, airport support, recreation, and open space uses. The Certified EIR included mitigation measures and Project Design Features, as well as incorporated commitments and mitigation measures, which would also be required to be implemented by any future projects.

Since certification of the EIR, the Board approved an addendum to the Certified EIR in March 2016, which analyzed the additional design details of the Argo Drain Sub-basin

¹ <https://www.lawa.org/lawa-our-lax/environmental-documents/documents-certified/lax-northside-plan-update/environmental-documents>

Facility and clarified that biological research, development, and testing uses are permitted uses in the Office, Research and Development Land Use category.

In 2023, LAWA completed a CEQA consistency evaluation for the proposed Lulu's Place Recreation Facility Project.² This evaluation determined that implementation of the proposed recreation project will not result in new significant impacts or a substantial increase in the severity of significant impacts previously identified in the Certified EIR. As such, implementation of the proposed recreation project will not result in the conditions outlined in State CEQA Guidelines Section 15162, that would require preparation of a subsequent or supplemental EIR. The CEQA consistency evaluation is attached to the EDR as Attachment 5.

In accordance with the procedures set forth in Section 7 of the LAX Specific Plan, LAWA's Chief Executive Officer (CEO) has prepared an EDR (see Attachment). The EDR includes a summary of the LAX Specific Plan requirements, the proposed project description, background information, the requisite findings of fact, the requisite reports received, and a final recommendation of approval with conditions.

For proposed projects located north of Westchester Parkway within the LAX Northside Subarea, the LAX Specific Plan Section 7 also requires the Director of Planning to review the proposed project for consistency with certain provisions of the LAX Specific Plan: Section 12 (LAX Northside Subarea), 13.C.2 (Trip Generation), 14.D (Sign Regulation), and 15A (Design Guidelines and Standards). As required by Section 7.F.2.d, on August 24, 2023, LAWA transmitted the written description of the Lulu's Place Recreation Project and site plan to the Director of Planning. Planning staff, as a designee of the Director of Planning, reviewed the written project description and associated exhibits and determined that the Lulu's Place Recreation Project is consistent with Sections 12, 13.C.2, 14.D, and 15A of the LAX Specific Plan based on the Findings stated in the Department of City Planning's Consistency Determination. No further review is required by the Director of Planning to satisfy the requirements of Section 7.F.2.(d). An administrative review of final design documents, as they become available, is required by LAWA and Department of City Planning (DCP) staff to confirm compliance with the LAX Specific Plan. Once LAWA and DCP deem the working drawings final, the relevant clearances will be issued. The Director of Planning Consistency Determination was provided on November 9, 2023 and is attached to the EDR as Attachment 7.

Per Section 7.F.4, the Board shall approve, approve with conditions, modify, or deny a request for LAX Specific Plan Compliance. The Board shall make the same findings required to be made by the CEO, supported by facts in the record.

Based on the Executive Director's LAX Specific Plan Compliance Review, the EDR finds that Lulu's Place complies with the LAX Plan and LAX Specific Plan, and its environmental effects have been assessed in compliance with CEQA. The EDR recommends that the Board grant the request for LAX Specific Plan Compliance approval for Lulu's Place Recreation Project upon the following conditions:

1. Prior to the construction of, or issuance of any building permits or building clearances for any recreation improvement set forth in attachment 3 of the EDR, the applicant shall submit preliminary plans to LAWA's Development Group (The Development

² A copy of that consistency evaluation is attached to the EDR.

Group or “TDG”) Environmental Planning Unit (EPU). The submitted preliminary plans and working drawings shall include sufficient detailed information to confirm compliance with all applicable Mitigation Measures, Project Design Features, Commitments, and LAX Northside Design Guidelines and Standards. Applicability to be determined by LAWA.

2. All plan submittals to TDG EPU shall be in coordination with the Department of City Planning, as outlined in DCP Consistency Determination, for confirmation of consistency review of the LAX Northside Design Guidelines and Standards. No changes, additions, or alterations shall be made in the working drawings or specifications without first obtaining the confirmation from LAWA TDG EPU that the revised working drawings or specifications comply with applicable LAX Northside Design Guidelines and Standards. The contractor shall be allowed to pull building permits as working drawings become available and LAWA TDG EPU confirms that working drawings are in compliance.

5. Fiscal Impact

No appropriation of funds is required, and there will be no impact on the Operating or Capital Budget for this action.

6. Alternatives Considered

- **Take No Action**

Failure to approve, with conditions, the request for LAX Specific Plan Compliance, as recommended in the EDR, and approve the proposed project as described in the EDR for Areas 1 and 2A would impede and further delay the development of the LAX Northside open space and recreational improvements, and it would undermine the commitments LAWA has made to the community to develop the site in accordance with the LAX Northside Plan Update EIR, LAX Specific Plan, and LAX Northside Design Guidelines and Standards.

7. How This Action Advances a Specific Strategic Plan Goal and Objective

This action advances this strategic goal and objective: *Sustain a Strong Business: Operate sustainably – balancing economic, social and environmental responsibilities.* In developing the Northside Areas 1 and 2A, LAWA will meet its commitment to provide a sustainable and environmentally responsible recreational space for the community.

APPROPRIATIONS

No appropriation of funds is required for this action.

STANDARD PROVISIONS

1. General policy procedure making pursuant to the Public Resources Code Section 21166 and CEQA Guidelines 15162, approval of the proposed Project does not provide for any changes to the LAX Northside Plan Update or the circumstances under which it is being undertaken that would require further review under the California Environmental Quality Act (CEQA) beyond the Environmental Impact Report (EIR) the Board certified for the LAX

Northside Plan Update (Resolution No. 25654 State Clearinghouse Number 2012041003) on March 12, 2015, and no further CEQA documentation is needed at this time.

2. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 245.
3. This action is not subject to the provisions of the Living Wage/Service Contractor Worker Retention Ordinances.
4. This action is not subject to the provisions of the Business Enterprise (BE) Programs.
5. This action is not subject to the provisions of the Affirmative Action Program.
6. This action does not require a Business Tax Registration Certificate number.
7. This action is not subject to the provisions of the Child Support Obligations Ordinance.
8. This action is not subject to the insurance requirements of the Los Angeles World Airports.
9. This action is not subject to the provisions of Charter Section 1022 (Use of Independent Contractors).
10. This action is not subject to the provisions of the Contractor Responsibility Program.
11. This action is not subject to the provisions of the Equal Benefits Ordinance.
12. This action is not subject to the provisions of the First Source Hiring Program.
13. This action is not subject to the provisions of Bidder Contributions CEC Form 55.
14. This action is not subject to the provisions of MLO Bidder Contributions CEC Form 50.
15. This action is not subject to the provisions of the Iran Contracting Act.

Attachments

- LAX Specific Plan Compliance Review Documentation, Executive Director's Report <https://lawamediastorage.blob.core.windows.net/lawa-media-files/media-files/lawa-web/lawa-our-lax/lulus-place/lulus-place-edr-with-attachmentsfinal-20231120.pdf>