

MOTION BY SUPERVISORS DON KNABE AND MICHAEL D. ANTONOVICH

April 30, 2013

The City of Los Angeles and Los Angeles World Airports (LAWA) have an important opportunity to return Ontario International Airport (ONT) to the local control of the City of Ontario and to make good on their pledge in the 2006 Los Angeles International Airport (LAX) Settlement Agreement to promote the regionalization of air service and to substantively comply with and mitigate the long-standing concerns about the impacts of LAX operations on traffic, noise, human health risks and the quality of life in communities surrounding LAX, by relieving the pressures for future growth at LAX through a regional effort to meet air transportation demand at other airports in the region.

The successful operation and growth of ONT is a key component to regionalizing air service and providing a healthier, more sustainable transportation system within the Los Angeles region. To alleviate the bottleneck in and around LAX, the City of Los Angeles and LAWA must be encouraged to continue negotiations with the City of Ontario toward securing a mutually-agreeable solution that would allow for local control of ONT.

( M O R E )

MOTION

MOLINA \_\_\_\_\_

YAROSLAVSKY \_\_\_\_\_

KNABE \_\_\_\_\_

ANTONOVICH \_\_\_\_\_

RIDLEY-THOMAS \_\_\_\_\_

WE, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:

1. Support the transfer of Ontario International Airport (ONT) to local control. Find that the action is consistent with the September 2, 2010 action by the Southern California Association of Governments (SCAG) Regional Council recommending the transfer of ONT to local control stating that under local control, ONT can recover from the economic downturn of the past several years while positioning itself for long-term growth, consistent with the reorganization of air traffic contemplated in SCAG's Regional Transportation Plan;
2. Instruct the Chief Executive Officer to send a letter indicating the Board's support for returning Ontario International Airport (ONT) to the local control of the City of Ontario, addressed to the Mayors of the Cities of Los Angeles and Ontario, LAWA, and appropriate agencies.

# # #



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## AMENDED Agenda Item #7

September 2, 2010

Mr. Miguel A. Santana  
City Administrative Officer  
City of Los Angeles  
200 N. Main St. Suite 1500  
Los Angeles, CA 90012-4137

Dear Mr. Santana:

SCAG is aware that you have been asked to submit a report to the Los Angeles City Council's Budget Committee in September in response to a Council motion, on the feasibility of transferring operating control of LA/Ontario International Airport (ONT) from Los Angeles World Airports (LAWA) to the City of Ontario.

SCAG has enjoyed the long partnership with City of Los Angeles and the leadership position the City has demonstrated in providing for interregional and international travel (i.e. LAX and Ontario airports). Continuation of options for international and national travel for the 19 million residents of the regions is essential for the economy, livability, clean air and other public policy goals the City and SCAG have partnered on. At the same time, SCAG understands the tough economic challenges the city faces during this recession.

Staff have reviewed the recent report from Jacobs Consultancy – "Alternatives for Management and Operation of LA/Ontario Airport" – commissioned by LAX, that was presented at the August 2 meeting of the Los Angeles Board of Airport Commissioners. Staff has also received a briefing on this issue from Ontario and San Bernardino County officials.

SCAG supports the finding to recommend the transfer of ONT to local control as being in the best interests of Los Angeles and the Southern California region. The transfer will enable LAX to focus its attention on modernizing Los Angeles International Airport and restoring passenger traffic to pre-9/11 levels – essential steps to make LAX achieve its full potential as the City's primary economic engine.

SCAG believes that under local operating control, ONT can recover from the economic downturn of the past several years while positioning itself for long-term growth which would be consistent with the "reorganization" of the air traffic contemplated in the SCAG's Regional Transportation Plan. By transferring control of ONT to the City of Ontario, ONT will operate on the same basis that airports in Burbank, Orange County, Long Beach and Palm Springs operate as a low-cost secondary airport under local control.



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During the recession of the past several years, ONT has one of the highest operating costs in the region. Over the past decade, as other regional airports have recovered from 9/11 and increased their market share, ONT has lost more than two decades of traffic growth and seen its market share decline. This is unfortunate since ONT is the only airport in the system not constrained by passenger or noise caps (John Wayne and Long Beach, respectively) or facility constraints (Bob Hope) or a legally enforceable settlement agreement (LAX).

SCAG recognizes that LAX has several billion dollars of debt to finance the Bradley West and related projects. While these facility improvements may push airline rates and charges higher, that alone is not sufficient to drive low-cost airlines to ONT. If ONT does not simultaneously reduce costs and build traffic to reduce its cost per enplaned passenger, airlines will be incentivized to find markets outside Southern California where they can obtain the highest returns for their aircraft assets. This result would negatively affect the economy of not only the Inland Empire but the entire southern California region including Los Angeles.

Southern California must continue to have a robust system of regional airports both to accommodate local demand and to minimize automobile traffic and emissions resulting from unnecessary reliance on LAX. In that regard, it is especially important that ONT, which is uniquely positioned to accommodate growth, be operated in a way that enables it to achieve its full potential. As airline traffic rebounds and LAX approaches its practical capacity based on ground access and facilities, the region's need for a fully-developed and healthy ONT will become increasingly important. Without ONT, SCAG and the region will be challenged to develop a successful sustainable community strategy under SB 375 which the California Air Resource Board would approve. In summary, SCAG believes that the transfer of ONT to local control is in the best interests of all jurisdictions including Los Angeles. It also is in the best interests of promoting regionalization and boosting our region's economy.

Thank you for considering SCAG comments as you deliberate in preparing your report and making your recommendation. SCAG respectfully requests that this letter be provided to the City Council when your report is transmitted.

Sincerely,

Hasan Ikhata  
Executive Director

CC Regional Council  
Greg Devereaux, CAO  
County of San Bernardino