



ERIC GARCETTI
MAYOR

January 5, 2016

The Honorable Dianne Feinstein
U.S. Senator
331 Hart Senate Office Building
Washington, DC 20510

Dear Senator Feinstein:

I write in support of legislation that will improve the collection and use of Passenger Facility Charge (PFC), particularly to allow Ontario International Airport (ONT) to use PFCs to help finance the pending transfer of ONT to local control.

Late last year, the City of Los Angeles approved an agreement with the City of Ontario to transfer ONT to the Ontario International Airport Authority (OIAA) for approximately \$250 million. Approval from the FAA will be the last step to finalize the transfer to the OIAA.

Throughout this process, my goal has been not to profit from the sale, but to recover investment made by Los Angeles World Airports (LAWA) at ONT. The settlement agreement calls for Ontario to pay \$30 million from its reserves, take over the airport's nearly \$60 million debt and make payments of \$50 million over the first five years and \$70 million in the final five years. Additionally, LAWA will transfer \$40 million from ONT's unrestricted cash accounts to Los Angeles International Airport LAX.

The City of Ontario and OIAA are seeking legislation to allow the use of PFCs collected at ONT to assist with financing the payments. I support this effort and pledge whatever assistance I can provide in passing this legislation.

Furthermore, while the challenges at Ontario are important, I also encourage you not to lose sight of the funding challenges at LAX and at most of our nation's airports. We are currently undertaking a major modernization effort to improve the passenger experience and airport access, and will rely on PFC revenue to help defray the cost of the project.

The Honorable Senator Feinstein
January 5, 2016
Page 2

It has been 15 years since Congress last adjusted the federal cap on the local airport infrastructure fee. Since that time, post-9/11 security needs, aging infrastructure, and record passenger growth are stretching airport resources thin. This is one of the key reasons that the 2014 Skytrax survey of the world's airports found that not one American airport is listed among the world's 25 top rated.

Thank you for your continued support throughout the Ontario negotiations. I look forward to completing this transfer and working with you on matters related to Southern California and the City of Los Angeles.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Garcetti". The signature is stylized and includes a horizontal line extending to the right.

ERIC GARCETTI
Mayor