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NEW CONSTRUCTION AT LAX GENERATES ALMOST 40,000 LOCAL JOBS

LAX Jobs Spur Local Recovery, L.A. County Economic Development Corporation Report Finds

(Los Angeles, California – April 19, 2011) An encouraging report was released today by the Los Angeles County Economic Development Corporation (LAEDC). The report found that new construction at Los Angeles International Airport (LAX) is having an enormous impact on local employment, creating a total of 39,900 new jobs and helping the Los Angeles area recover from the ongoing economic downturn.

LAX is widely recognized as being an economic engine for the Los Angeles region. This new construction is now playing a central role in the recovery of that economy. Business, labor and elected leaders have all come together to acknowledge the large and timely impact of LAX's new construction.

"The LAX modernization project is creating nearly 40,000 jobs and generating \$2.62 billion in worker wages, making it one of the City's biggest and most successful job creation and economic recovery efforts," said Los Angeles Mayor Antonio R. Villaraigosa. "By investing in LAX's infrastructure, we are ensuring that the airport will remain competitive in the global market, bringing visitors to our great City and putting our residents to work now and for years to come."

The LAEDC analyzed the \$4.11-billion, new-construction program currently underway at LAX and found that the timing of the project "position(s) the airport to be competitive as a leading global gateway." In addition to the 39,900 jobs being created, the LAEDC estimated that \$2.62 billion in labor income would be generated from the several projects.

"Ultimately, these projects represent valuable investments in Los Angeles County. At a time

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when the city's unemployment rate hovers around 13 percent, we stand to gain almost 40,000 jobs over the next seven years from the LAX modernization projects," said LAEDC President and CEO Bill Allen. "We also stand to gain almost 4,000 jobs for every year of this entire project in our most decimated industry, construction, where we lost 56,500 jobs over the past two years."

"By prioritizing modernization at LAX, we ensure Los Angeles has an airport that serves the needs of the public and makes it the job creation catalyst it was destined to be," added Allen.

Current new construction at the airport includes a number of projects, the most significant being the Bradley West modernization, which constitutes more than \$1.45 billion and is the largest public works project in Los Angeles City history that will double the size of the current one-million-square-foot Tom Bradley International Terminal. Also ongoing and included in the LAEDC analysis are major projects at other sites: \$438-million replacement of the Central Utility Plant; nearly \$300 million in aircraft taxiway improvements; \$270 million in elevator/escalator replacements and over \$600 million for in-line baggage handling and screening systems in all terminals; as well as more than \$636 million in improvements throughout Terminals 4 (American Airlines), 5 (Delta/Northwest Airlines) and 6 (Continental, United, Frontier, COPA, Spirit, Allegiant and, upon completion of the T-6 renovation, Alaska Airlines/Horizon Air).

The projects are being funded by a combination of revenue bonds, LAX revenue and capital improvement funds, passenger facility charges, airline capital for proprietary improvements, and federal grants from the Federal Aviation Administration (airfield improvements) and Transportation Security Administration (in-line baggage screening improvements). No monies from the Los Angeles City general fund are being used.

City Councilmember Bill Rosendahl, whose District 11 includes LAX, said, "Our relentless efforts to bring businesses, airport leaders, and the local community together to make LAX modernization a reality is finally paying off in a big way for our city; but the real story of the day is the 39,900 jobs that we've created. That's 39,900 families that can count on their paychecks during these tough economic times and, although we have a price tag for it, it's hard to put a value on that."

"I've always said that LAX is our own local stimulus package here in this region, and this report

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confirms that,” said City Councilmember Janice Hahn, District 15 and chair of the City Council’s Trade, Commerce and Tourism Committee. “We are providing good-paying jobs to local and small businesses at a time when we need it most. We’re also creating long-term jobs by accommodating the next generation of aircraft; every daily round-trip overseas flight at LAX generates \$623 million annually and provides 3,120 local jobs.”

Los Angeles Board of Airport Commissioners President Michael Lawson said, “The \$4.11-billion LAX Capital Improvement Program is not only building an LAX worthy of the City that has come to depend on this airport as an economic cornerstone, it is launching nearly 40,000 new jobs in the process.”

About the LAEDC

The Los Angeles County Economic Development Corporation (LAEDC) is the region’s premier business leadership organization established in 1981 to promote the economic development of Los Angeles County. Its mission is to attract, retain, and grow businesses and jobs for a region comprised of 88 cities, 10.4 million residents and over 418,000 businesses. Since 1996, the LAEDC has helped retain or attract more than 171,300 jobs and 1,350 businesses while providing \$8.5 billion in direct economic impact from salaries and \$135 million in annual tax revenue benefit to local governments and education in Los Angeles County. For more information, visit www.laedc.org.

About Los Angeles International Airport (LAX)

LAX is the seventh busiest airport in the world and third in the United States, offering more than 565 daily flights to 81 domestic cities and over 1,000 weekly nonstop flights to 65 international destinations on over 75 carriers. In 2010, LAX served over 59 million passengers, processed over 1.9 million tons of air cargo valued at nearly \$84 billion, and handled 575,835 aircraft operations (landings and takeoffs). LAX is part of a system of three Southern California airports – along with LA/Ontario International and Van Nuys general aviation – that are owned and operated by Los Angeles World Airports, a proprietary department of the City of Los Angeles that receives no funding from the City’s general fund. For further information, visit www.lawa.aero/lax. For a sneak peak at the LAnExT New Construction website, visit www.la-next.com.

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