

Date: September 8, 2025

To: Thomas B. Modica, City Manager 

From: Cynthia Guidry, Director, Long Beach Airport 

For: Mayor and Members of the City Council

Subject: **Airport Enterprise Fund Updated FY 26 Outlook**

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This memorandum provides an update on the passenger activity forecast for 2026 and potential subsequent Fiscal Year (FY) 26 budget impacts at the Long Beach Airport (LGB or Airport). At the time of the FY 26 budget development process, passenger activity at LGB was anticipated to remain at a level exceeding four million passengers for the second year in a row, due to continued robust travel demand and the availability of 22 non-stop destinations served by three major airlines.

Nearly 80 percent of Airport revenue is generated by commercial passenger activity, with the remainder derived from land leases, Fixed-Base Operator services, and other non-airline activities. Recently published airline schedules project a reduction of approximately 15 percent in scheduled service for 2026, impacting revenue at LGB. Although commercial activity has steadily recovered and passenger demand rebounded, the industry continues to face elevated costs and operational challenges, driven in part by economic uncertainty, a softer outlook, and ongoing aircraft supply constraints.

The Airport continues to take proactive measures to safeguard the health of the Airport Enterprise Fund. Those efforts include monitoring slot utilization, marketing to attract new entrants, increasing non-aeronautical revenue opportunities, and curtailing operating expenditures. Through these strategies, LGB will strengthen its financial resilience and ability to remain self-sufficient, while navigating future challenges. Staff will continue to keep you apprised of additional changes.

If you have any questions, please contact Cynthia Guidry, Airport Director, at (562) 570-2605.

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