

Legislator Nancy E. Barr
Remarks re Nov 18, 2024 Board of Legislators' vote relating to
White Plains Aviation Partners, LLC, doing business as
Million Air White Plains ("Million Air")
Amend Ground Lease Agreement
Items 2024-475 and Settlement 2024-476

As the Legislator who has both the benefit and the burden of the Westchester County Airport in my District, I believe I have a responsibility to raise certain issues that have led up to the proposed settlement and lease amendment that are on the agenda tonight. And I would ask the Clerk of the Board to include this statement in the digital record with the other documents pertaining to tonight's vote so that others will be able to find these remarks should this issue arise again in the future.

The Airport is owned by the County of Westchester. While the County does not have complete control over what happens at the Airport because we are pre-empted in certain matters by Federal law, we do have authority over who rents space at the Airport and to a large extent what is contained in their leases. We also have the authority to enforce those leases.

At the Board of Legislators, we do not take this responsibility lightly. It is not lost on anyone that the Airport is located next to a reservoir that serves millions of New Yorkers. Over the last 7 years the Latimer Administration and the Board of Legislators have demonstrated their willingness to enforce the terms of our leases to protect our residents from overdevelopment and the threats of air, water and noise pollution that come with an Airport that sees approximately 200,000 operations annually. Most of those operations, between 80 and 85% are non-commercial and do not go through our terminal, but rather

through various entities that rent space at the Airport and that are governed by leases that are negotiated with the County Administration.

In 2016, the prior County Administration gave permission for Million Air to build a 50,000 square foot hangar and an upgraded lounge for its customers. Those facilities were completed in 2018 and 2019, respectively. But Million Air was not satisfied. They insisted that their 2016 lease amendment also allowed them to build a second hangar, this time 80,000 square feet, which would involve demolishing an existing T-hangar (which is designed to house smaller light general aviation aircraft) on the leased property.

It was quite clear that the 2016 lease amendment did not include provisions for demolishing the T-hangar nor building an 80,000 square foot hangar in its place. Such an agreement would have needed to be spelled out very clearly in writing. Yet Million Air chose to litigate the matter, apparently believing that it could bully the County into acquiescing to its demands. The County did not acquiesce, but was forced to spend time and money opposing the litigation. The Court ultimately agreed with the County and dismissed claims for breach of contract and a declaratory judgement but allowed discovery on another claim.

Meanwhile, Million Air reasserted its effort to build a second hangar under another provision of the lease. During this process, the CEO of Million Air presented to the County Administration, the Airport Advisory Board and the Board of Legislators. In each presentation, the CEO had four major claims: 1) the T-hangar was useless and could no longer be used for light general aircraft because it was in terrible condition and it was not accessible due to a steep grade in the pavement around it, 2) there was no demand for the space because the

small planes could park elsewhere and 3) if there were demand, they could easily park the small planes under the wings of the larger planes.

Finally, the CEO claimed that building the large hangar would reduce the number of ferry flights to and from other airports, which in turn should reduce concerns about additional air pollution and noise. He purported to have a study that would prove this.

Upon investigating these claims, the County found that 1) there was nothing wrong with the T-hangar other than it was being used as a storage unit in violation of FAA rules, and there was no steep grade leading up to the entrance of the hangar which would prevent access, 2) there **was** in fact demand for the T-hangar space by light general aviation (GA), evidenced by waiting lists, and, 3) many light GA pilots preferred the T-hangar space to being wedged between larger planes. In other words, Million Air had made false statements to the County in order to advance its cause. Did they really think we wouldn't notice?

Furthermore, the study which purported to show that the new hangar would reduce ferry flights was not conclusive and did not account for many other factors that could influence the number of flights.

When the County pointed out the disparities to Million Air in a letter dated April 22, 2022, Million Air was allowed to amend its original complaint to assert that the County had been unreasonable in not allowing the second hangar to be built under a different provision of the lease, once again trying to bully the County into submission. This time the County not only opposed the motion but also brought its own counterclaims against Million Air.

The items we have before us to vote on tonight are the result of the negotiations between Million Air and the County. Million Air has

restored the T-hangar for use by light GA and agreed to maintain 39 tie-down spaces in addition. In return the County agrees to add to the lease 35 parking spaces which Million Air had been given permission to use while doing construction on the site. After the temporary permit expired, Million Air continued to use the temporary parking spaces but did not pay for their use. Million Air has since complied with storm water mitigation requirements imposed by the County and will pay the County a fee for its past unauthorized use of the spaces and its use going forward.

In short, after three and a half years of litigation, Million Air is finally doing what it was supposed to do under the 2016 lease. In return they are being given the privilege of adding 35 parking spaces to their leasehold.

I will say that under the circumstances, I think our attorneys have done an excellent job in this litigation and in the settlement negotiations. However, we have expended a great deal of time and money just to get Million Air to comply with the terms of the lease they already had.

And while they had to restore the T-hangar, there is nothing to stop Million Air from coming back under a new Administration to start all over again.

Which is why it is important, in my opinion, and in the opinion of those I represent, to digitally store this statement with the rest of the legislative record that will be accessible through our website for future Legislators and advocates to reference.

In closing, I will say that in 2017, when George Latimer first ran for County Executive and I ran for the first time in a County Legislator race, the future of the Airport was a major issue. Residents in my district and

in neighboring districts were alarmed with the former Administration's proposal to "privatize" the Airport and cede control of Airport leases and operations for 40 years.

The circumstances that bring us to this vote tonight demonstrate why it is so important for the County to maintain control of leases at the Airport. It gives the residents a say as to what happens at their Airport, and in their towns and their villages.

I will be voting yes on the items tonight because I believe that the County has fulfilled its obligation to fight Million Air's efforts to ignore portions of its lease by lying to the County about important material circumstances. However, in light of Million Air's ongoing behavior in this matter, I will be requesting periodic updates from the County Administration on Million Air's compliance with its amended lease and I encourage the Administration and my colleagues to take this behavior into account when considering any future requests from Million Air.