



Kenneth W. Jenkins
 County Executive
 Westchester County Airport
 April Gasparri, Director of Aviation



Mr. David Cohen
 Federal Aviation Administration
 Eastern Region Airports Division
 1 Aviation Plaza, Room 516
 Jamaica, NY 11434-4809

Re: HPN - Westchester County Airport
 White Plains, New York
 Letter of Investigation – Million Air tie down rates

September 22, 2025

Dear Mr. Cohen,

This office acknowledges receipt of your August 15, 2025, Letter of Investigation (LOI) concerning one of HPN’s Fixed Based Operators (FBO), Million Air, notification to its tie down tenants of an increase in its tie down rates.

The following responses to your questions are inclusive of HPN’s independent investigation. While County leadership remains confident of compliance with Grant Assurance 22(a) and (b), I look forward to your feedback after review of our responses.

1. Identification as to the monthly rate for tie down space charged by Million Air at the Airport as of: (a) August 1, 2025; (b) August 1, 2024; (c) August 1, 2023.

Million Air is legally bound by lease requirements* with Westchester County to “provide no fewer than 39 tie down spaces for 39 light general aviation aircraft on its leasehold.” The following table outlines the rates across its various 39 light general aviation tenants.

*first amendment to the FBO lease (WCA16005) executed November 27, 2024

The monthly rates have been the same as of August 1 for all years 2023, 2024 and 2025. It is unknown to County how these rates were applied to individual tenants.

Million Air - 39 total tie down spaces		
# of spaces	current rate since	
3	2015	three rate categories across 39 tenants: \$280 \$345 \$365
22*	2016*	
1	2016	
1	2020	
9	2021	
2	2023	
1	2024	
*all Performance Flight school tenant		

2. ***Please provide a description of any increase in the monthly tie down rate that Million Air has proposed in 2025 and/or 2026. Within this description, please specify if it is anticipated that Million Air will increase its monthly rate for tie down spaces to:***
- a) ***\$800 a month beginning in or around December 31, 2026; and***
 - b) ***\$600 a month starting on October 1, 2025.***

On July 29, 2025, Million Air notified, in writing, to its tenants that it intends to increase its monthly rate to \$800 effective December 31, 2026. On August 1, 2025, Million Air management updated its tenants that the rate increase will be implemented in several phases. The first phase begins October 1, 2025 with a \$600 monthly rate to all 39 tie down tenants. The second phase begins January 1, 2026 with a \$50 increase each quarter (January, April, July, October) in 2026, until reaching \$800 by December 31, 2026.

3. ***Please provide a description of the outcome of any discussion management of the Airport had with Million Air in 2025 concerning the proposed increases in the monthly rate for tie down spaces.***

After discussing with Million Air, Million Air decided to hold their increased monthly rate at \$600 effective October 1, 2025. Million Air retracted its subsequent increases beyond \$600 for the foreseeable future. It will re-evaluate in 18 months after October 2025.

4. ***If Million Air has proposed an increase in the monthly rate for tie down spaces on their leasehold at the Airport please provide Million Air's justification for this increase.***

Please see Attachment 1 for a letter from Million Air, describing its justification for this increase. Note this letter was written prior to the final determination of a steady \$600 monthly rate.

5. ***Please provide a financial statement from Million Air describing their revenues and expenses for their operations at the Airport for 2023 and 2024.***

Please see Attachment 1 for a letter from Million Air, describing its financial position. Note this letter was written prior to the final determination of a steady \$600 monthly rate.

6. ***Please describe any distinctions Million Air makes with respect to its monthly rates for tie down spaces at the Airport based on the type of size of aircraft leasing the space (e.g. single engine v. twin engine aircraft).***

Million Air's monthly rates are the same for any tie down tenant's type of size of aircraft leasing the space (single engine v. twin engine aircraft).

7. ***Please describe the average dimensions of each tie down space that Million Air leases at the Airport and in so doing please indicate if the dimensions of tie down spaces for some types of aircraft (e.g. single engine v. twin engine aircraft) that Million Air leases space to at the Airport are larger than the spaces for others.***

Each of Million Air's 39 tie down space is 1,408 sq. ft. In this space,

- a typical single engine aircraft that occupies it is a SR20/SR22 (988 sq ft).
- a typical twin engine aircraft that occupies it is a Diamond DA40 (1,014 sq ft).

8. ***Please identify the name of any other FBOs at the Airport, besides Million Air, that lease tie down spaces.***

Atlantic Aviation Fixed Based Operator leases tie down spaces at HPN at its west hangar leasehold.

9. ***For any FBO identified in response to the preceding paragraph identify:***

- a) ***The monthly rate for tie down spaces that the FBO charges as of August 1, 2025.***
- b) ***Any increases in the monthly rate for tie down spaces that the FBO has proposed for the rest of 2025 and/or 2026.***
- c) ***Any distinctions the FBO makes between single engine and twin engine aircraft with respect to pricing.***
- d) ***The average dimensions of each tie down space and in so doing please indicate if the dimensions of tie down spaces for some types of aircraft (e.g. single engine v. twin engine aircraft) are larger than the spaces for others.***

Please see Attachment 2 for a letter from Atlantic Aviation as its response to these four questions.

10. ***Please provide your analysis as to why Million Air's proposed increase of its monthly rate for tie down spaces to \$600 beginning on or about October 1, 2025, or \$800 beginning on or about December 31, 2026, should not be considered a violation of Grant Assurance 22(b).***

The lease agreement between the County and Million Air includes two articles to assure enforcement of Grant Assurance 22(b) through a subordination clause. Specifically, Article 30 entitled "Miscellaneous Provisions, Section 30.19 Non-Discrimination by County" states,

[Million Air] is subject to the same rules and regulations, rates, fees, rentals and other charges as are uniformly applicable to all other fixed base operators making the same or similar uses of the Airport and its facilities, subject to, subordinate to, and consistent with the County's obligations set forth in (a) its covenants to the FAA in its grant agreements, commonly referred to as its "grant assurances," including, without limitation, grant assurance 22, governing economic nondiscrimination.

Reinforcing this subordination clause in the lease is Article 3.1, which states, "Lessee agrees that all light general aviation customers at the Premises shall be treated in a fair and equitable manner."

HPN enforced these lease terms by immediately contacting Million Air management upon HPN management's awareness of the proposed rate increase. Discussions resulted in Million Air determining a one-time monthly rate increase to \$600. The \$600 will begin on October 1, 2025 and remain fixed for 18 months, upon which time Million Air will re-evaluate its rate.

Additionally, Million Air will confer with HPN management prior to implementing future rate increases.

Please see Attachment 3 for an excerpt of Articles 3.1 and 30 in the lease between the County of Westchester and Million Air.

11. *Please provide your analysis as to why Million Air's proposed increase of its monthly rate for tie down spaces to \$600 or \$800 should not be considered a violation of Grant Assurance 22(a).*

After analyzing HPN's access regarding all aeronautical activities, competitiveness of services, and demand for those services, HPN is confident that \$600 is a reasonable rate and in keeping with Grant Assurance 22(a).

I am available for any questions at axgc@westchestercountyny.gov and (914) 995-4887.

Best regards,

April L. Gasparri

ATTACHMENT 1

Million Air White Plains

136 Tower Rd
West Harrison, NY 10604

September 4, 2025

April Gasparri
Director of Aviation
Westchester County Airport

Re: Response to FAA Letter of Investigation

Ms. Gasparri –

Million Air White Plains (“Million Air”) understands that Westchester County (the “County”), as the sponsor of the Westchester County Airport (the “Airport”), has received a Letter of Investigation (the “Letter”) from the Federal Aviation Administration with respect to alleged potential violations of Grant Assurances 22(a) and 22(b).

The Letter focuses on Million Air’s recent decision to increase the tie-down rates it charges to owners of light general aviation (“LGA”) aircraft. As a predicate matter, Million Air is unclear how a simple increase in tie-down rates could constitute a violation of Grant Assurance 22(a) or 22(b).

That said, the County has requested that Million Air provide responses to two of the eleven requests posed to Westchester County in the Letter. Million Air is pleased to provide its assistance to the County in this matter.

Million Air’s Justification for Adjusting the Monthly Rate for LGA Tie-Down Spaces

Million Air has announced to its LGA tie-down tenants that it plans to adjust the monthly rent for LGA tie-down spaces from their current rates to \$600 per month on October 1, 2025, followed by a series of additional adjustments that will ultimately produce a rental rate of \$800 per month as of October 1, 2026.¹ This series of adjustments is reflected on the following chart:

Effective Date	Monthly Rate
October 1, 2025	\$600
January 1, 2026	\$650
April 1, 2026	\$700
July 1, 2026	\$750
October 1, 2026	\$800
Beyond 2026	Annual CPI-based adjustments

¹ Million Air charges the same tie-down rate to all of its LGA tie-down tenants, making no distinction between single-engine and double-engine LGA aircraft.

Million Air’s justification for these phased adjustments is that it has not materially changed the rent charged for LGA tie-down spaces in a decade, although its operating costs have dramatically increased. These phased adjustments ensure that Million Air can maintain safe, high-quality facilities, recover increasing operating costs, and align pricing with both inflationary trends and regional market conditions.

To give additional context, Million Air currently charges its LGA tie-down tenants between \$280 and \$365 per month. Those rates have not materially changed since 2015–2016.

What has materially changed since then is Million Air’s operating costs. Its current annual operating costs attributable to LGA tie-downs are now approximately \$144,000, which equates to \$308 per month per position. A breakdown of those costs are shown on the following chart:

Annual Operating Costs (Tie-Down Operations):

Electricity	\$44,000
Lighting	\$20,000
Tie-down anchors & ropes	\$5,000
Amenities (coffee, drinks, snacks)	\$75,000
Total	\$144,000

Costs on Per Tie-Down Space Basis:

Number of Tie-Downs	39
Cost Per Tie-Down (Annual)	\$3,692
Cost Per Tie-Down (Monthly)	\$308

Million Air is aware that small, municipal fields in the Northeast charge less for LGA tie-down spaces. But for a couple of reasons, those are not good comparison points.²

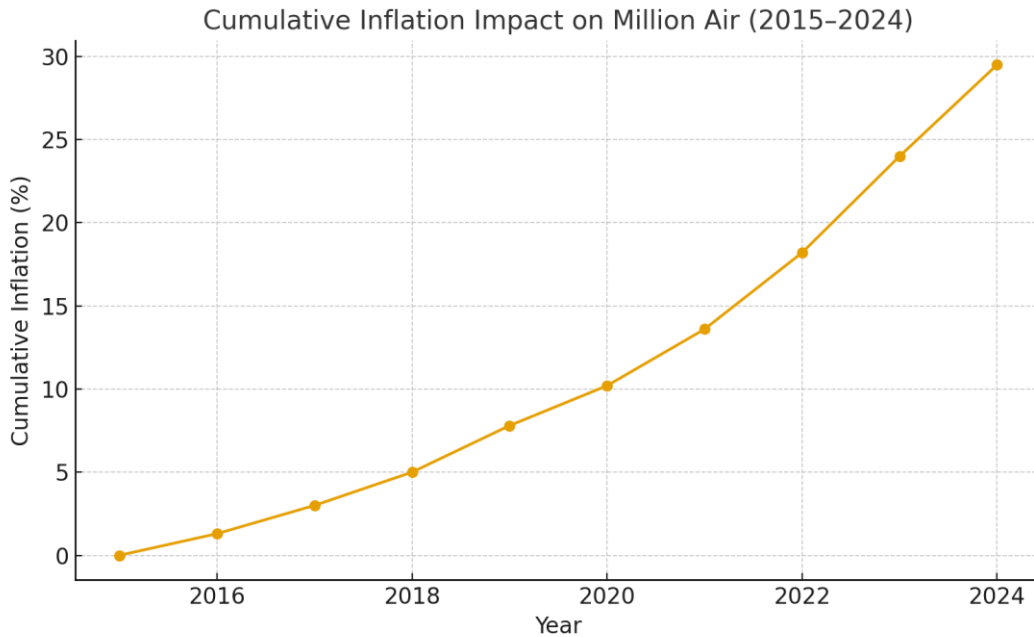
First, as shown above, Million Air’s operating costs include numerous value-adds that separate Million Air from many small, municipal fields. Million Air’s LGA tie-down tenants do not just receive a spot on the ramp. They also receive a full suite of bundled FBO-level services, including the following:

- Pushback and tie-down service
- Aircraft plug-in service
- Complimentary valet and self-parking
- Complimentary Starbucks coffee, drinks, and snacks
- Complimentary conference room usage
- Complimentary EV charging

² Million Air cannot provide comparison pricing for its FBO competition, either at the Airport or elsewhere, as those pricing structures are generally not publicly available.

Second, the Airport is a desired location. Million Air has a long waiting list for the 39 LGA tie-down spaces, likely because of its proximity to New York City and its proximity to the residences of many of the LGA aircraft owners.

Moreover, inflation has placed further upward pressure on Million Air’s operating costs. More specifically, inflation has increased Million Air’s costs by nearly 30% between 2015 and now, as shown on the following chart.



Finally, since 2016 Million Air has invested \$90 million into its facilities at the Airport. Its operating costs are before capital recovery.

In summary, Million Air’s operating costs have substantially increased over the past ten years, while the tie-down rates have remained unchanged. Million Air is pleased to provide the full Million Air experience to all of its customers, including its LGA tie-down tenants. It simply wishes to not lose money in the process.

Million Air’s Financial Statements

Million Air does not disclose detailed facility-level profit and loss statements. However, Million Air can summarize its revenues and expenses directly relevant to tie-down operations at the Airport, as shown on the following chart:

Tie-down revenue (39 positions, avg. \$320/mo)	\$150,000
Operating expenses (electricity, lighting, anchors, amenities)	\$144,000
Per tie-down cost	\$3,692 annually / \$308 monthly

Million Air's current LGA tie-down rates barely cover its current direct operating costs, and provide no margin for capital recovery or reinvestment. The phased adjustments therefore align with inflationary trends and Million Air's commitment to safety, service, and long-term infrastructure sustainability.

Please let me know how else Million Air may be of assistance in this matter. Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Gary Buchanan', with a long horizontal flourish extending to the right.

Gary Buchanan
Executive Vice President Million Air

ATTACHMENT 2



Date: September 5, 2025
To: April Gasparri
From: Frank Ciezadlo
CC: Francisco Tejada
Shawn Rose
Larry Jorash
Re: Response to Questions from FAA's LOI to Airport

Ms. Gasparri,

Please find answers to the questions specified by the FAA in its LOI below...

- a. ***The monthly rate for tie down spaces that the FBO charges as of August 1, 2025.*** \$430 for single engine piston and \$475 for multi-engine piston
- b. ***Any increases in the monthly rate for tie down spaces that the FBO has proposed for the rest of 2025 and/or 2026.*** Nothing for 2025. We are expecting to request approval to increase rates starting January 2026.
- c. ***Any distinctions the FBO makes between single engine and twin engine aircraft with respect to pricing.*** Twin Engine Aircraft pay \$45 per month higher tiedown fees currently. The slight difference in price between the aircraft is driven by the difference in risk and operational complexity in safely storing and servicing twin engine aircraft versus single.
- d. ***The average dimensions of each tie down space and in so doing please indicate if the dimensions of tie down spaces for some types of aircraft (e.g. single engine v. twin engine aircraft) are larger than the spaces for others.*** Approximately 40 ft wide by 30 ft deep. All tiedown spaces (with ropes) are the same size

Thank you very much.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank Ciezadlo', written in a cursive style.

Frank Ciezadlo
General Manager
Atlantic Aviation HPN

ATTACHMENT 3

conditions of a Future Lease by the 29th anniversary of the Commencement Date, the County may commence marketing the Leased Premises to choose a subsequent tenant.

ARTICLE 3 USE OF PREMISES

3.1 County represents that the Lessee may use, and the Lessee shall occupy and use, the Premises for the following purposes and for no other purpose whatsoever:

(A) (i) for the operation of a Light General Aviation Facility, including, but not limited to: servicing, repair and maintenance of aircraft; sales of aircraft; aircraft tiedown; aircraft hangar accommodation; aircraft T-hangar accommodation; pilot shop; flight school; charter; aircraft management; and aircraft fuels and lubricant sales.

Lessee agrees, throughout the Term, that it shall endeavor to maintain the Light General Aviation uses at the Premises, at their current levels as of the date hereof, unless otherwise mutually agreed, in writing, by the County and Lessee. Every five (5) years during the Term or unless Lessee requests sooner than every five (5) years, the County and Lessee shall evaluate market demand for light general aviation services and agree on adjustments as necessary. Lessee agrees that all light general aviation customers at the Premises shall be treated in a fair and equitable manner.

It is further understood and agreed that the above operations constitute a commercial operation which is subject to County Airport Rules and Regulations. The County reserves the right to require Lessee to obtain a "permit to operate," provide insurance and pay appropriate fees, if any, related to such permit if such permit and fees shall be required to be obtained and paid by all other similarly situated Lessees, licensees, users and occupants of the Airport in the same manner as Lessee. Lessee acknowledges and agrees that Lessee may not

of time or both would constitute a default or event of default hereunder; and (iv) and any other information reasonably requested by such other party. Such statement shall be binding upon the certifying party and may be relied upon by the other party and any person to whom such certificate is delivered. Under no circumstances shall either party be required to execute and deliver to, or on account of, the other party more than three (3) estoppel certificates in any given Lease Year, except with respect to subtenants of the Lessee with whom the County shall have entered into non-disturbance agreements.

30.19 Non-Discrimination by County. Tenant shall be subject to the same rules and regulations, rates, fees, rentals and other charges as are uniformly applicable to all other fixed-base operators making the same or similar uses of the Airport and its facilities, subject to, subordinate to, and consistent with the County's obligations set forth in (a) its covenants to the FAA in its grant agreements, commonly referred to as its "grant assurances," including, without limitation, grant assurance 22, governing economic nondiscrimination, and (b) applicable Federal Statutes and Federal Aviation Regulations.

ARTICLE 31 SUBORDINATION CLAUSES

31.1 This Agreement is subject and subordinate to the following:

(A) County reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Premises as contemplated under this Lease.

(B) County reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent