



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 – response #2

December 15, 2025

Dear Mr. Cohen,

The purpose of this letter is to address continuing questions related to a Letter of Investigation (LOI) for one of HPN’s Fixed Based Operators (FBO), Million Air, tie-down rates.

Without reservation, HPN strives to comply with all FAA grant assurances. HPN requires its tenants to also comply with grant assurances through its lease terms. Specific to grant assurance 22, this LOI considers the fairness and reasonableness of Million Air’s applied 2025 rate to its 39 tie-down tenants.

HPN remains confident that it is compliant with grant assurance 22 in both the spirit of the law and in the application of rates by Million Air. The following paragraphs describe fairness and reasonableness to determine a satisfactory rate. HPN is able to provide this information because of its continuous communications with Million Air’s management.

Fairness

Million Air applies the consistent rates and agreement terms across each of its business segments.

Effective October 1, 2025, Million Air implemented the same tie-down rate to all of its 39 tie-down tenants. Prior to October 1, the logic of each rate was unknown to current management. One can surmise the \$280, \$345 and \$365 rates were established based on when, across an annual history, each tenant began the contract with Million Air. Level-setting one rate demonstrates fairness because it recognizes the same economic conditions, regardless when a contract began; tenant use (inclusive of flight school); each tie-down physical space is the same; each tie-down agreement terms is the same; and each tie-down tenant is offered the same level of service.

Staying on fairness of **rates**, Million Air has increased its based jet tenant rates between 3-5% annually, and its ala carte service fees to transient users by 20% in April 2025. This confirms the point that Million Air has treated all of its users fairly. T-hangar tenants are on month-to-month agreements; their increases will also apply equally to all.

Pivoting to fairness of **customer services**, Million Air offers all of its tie-down tenants the same services, which are also the same services provided to all business segments. Specified in the agreements and verbally conveyed by customer service representatives and upon request by the light general aviation

tenant, Million Air's staff repositions the plane to be closer to a taxi lane, fuels the plane, and drives the tenant to/from the plane via golf cart. Million Air's entire leasehold vehicular parking areas, including the valet parking section, are accessible to tie-down tenants. Additionally, conference rooms, pilots lounge, and flight planning rooms/tools are included in the tie-down rate. Finally, the terminal's coffee and hydration stations are available, complimentary, to all users. Offering these services across all of Million Air's business segments demonstrates fairness. Whether or not users choose to utilize these services is independent of a fairness test as it pertains to grant assurance 22.

Million Air acknowledges that not all 39 tie-down tenants currently have electrical power outlets. However, the intent is to provide the same infrastructure amenities across all 39 spaces. Construction permitting has delayed Million Air's original schedule, but regained momentum as of November 25, 2025.

Reasonableness

HPN posits a broader position that only HPN users qualify as "similarly situated" when comparing tie-down rates at HPN. Over the past two years, HPN has completed fair market value studies, albeit focused on corporate hangar rental rates. Across the entire country, Westchester County property garners the highest property value for such aviation purposes. Only one airport fits within the similarly situated category. That airport is Teterboro (TEB) in Teterboro, New Jersey. HPN cannot compare TEB's tie-down rates because TEB does not have any tie-down tenants [and has not for several years]. The next two airports, Morristown Municipal (MMU) and Islip (ISP), fall well short of the "similarly situated" definition due to significantly less property value and fewer annual general aviation flight operations.

Therefore, only Atlantic and Million Air rates at HPN can be compared as "similarly situated" to determine reasonableness.

Now that "similarly situated" has been narrowed to only HPN's Atlantic Aviation [west] and Million Air facilities, it is worth comparing the relative difference between the two FBOs.

First, Million Air's level of past and active investment in its infrastructure offers all of its users an elevated experience as a paying tenant. With this level of investment comes an element of cost recovery. The most hefty infrastructure improvement was demolishing and building a new terminal, which received a certificate of occupancy in 2018. Other examples include designing and constructing vehicular parking that complies with the County and State's environmental regulatory requirements; installing plug-in service to tie-down spaces; and improving ramp safety with enhanced lighting. In short, relative to Atlantic's past and active investment, Million Air's overhead is higher.

Second, Million Air's tie-down spaces themselves are generally in premium locations with respect to access between the terminal and where the pilots begin taxiing. Due to no fault of Atlantic Aviation, this is not the case with, generally speaking, Atlantic's tie-down locations. The leasehold layouts between the two FBOs are simply different.

Third, Million Air staff are readily trained to serve all of its customers—light general aviation, flight school, based and itinerant jets. The recruitment strategy, training program and service level expectations comes at an overhead cost. Million Air reports relatively low turnover, which contributes to a safe continuity of operation.

The result of Million Air's investment in infrastructure and human capital is a safe, secure and satisfying experience.

County's commitment to grant assurances

Notwithstanding the above-mentioned, it is worth re-emphasizing that Westchester County remains committed to serving its light general aviation community. Its lease and amendment with Million Air requires no fewer than 39 tie-down spaces. HPN has no intention of reducing this requirement.

The County's lease agreements with each Million Air and Atlantic Aviation codifies its enforcement mechanism of grant assurances. In Million Air's lease, these are prescribed in Articles 3.1 and 30. This reaffirms that the spirit, actions and decisions by the County are compliant with the FAA's grant assurances and their premises top of mind.

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

Best regards and Happy Holidays,

April Gasparri