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NEW YORK

Westchester County's Airport Plan Hits Some Turbulence

Residents worry effort to bring in private operator will increase air traffic, hurt environment



Westchester County Executive Rob Astorino says under the privatization plan, the airport will make money for the county and will be better run. PHOTO: ADRIENNE GRUNWALD FOR THE WALL STREET JOURNAL

By Joseph De Avila

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Westchester County Executive Rob Astorino has a controversial plan to make the county millions of dollars: Privatize the airport.

Mr. Astorino's efforts have run into opposition from some residents who say the plan gives a new operator an incentive to maximize profits, which could lead to more planes flying in and out of the airport, as well as a cutback on environmental protections for the surrounding area. More broadly, they question whether the county will be able to hold a private operator accountable for any problems that could arise.

The county is accepting bids from private operators for the chance to sign a 40-year lease to run the Westchester County Airport, which sits on the border of Greenwich, Conn. American Airlines Group Inc., Delta Air Lines Inc., JetBlue Airways Corp. and United Continental Holdings Inc. all currently operate commercial flights out of the airport.

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Bids are due July 14 and the winning bidder must be approved by 12 out of 17 members of the Westchester County Board of Legislators later this year. County officials expect about five or six bids for the contract.

Mr. Astorino, a Republican, says the upside for taxpayers is clear. The county will remain the owner of the airport, but under the privatization plan, the airport will make money for the county and will be better run with upgraded passenger lounges, ticketing areas and concessions, he said.

"The work gets done quicker and more efficiently by the private company and we actually get to keep some of the profits at the airport and apply them to holding the line on taxes," Mr. Astorino said.

Westchester County has owned the airport since the World War II era. During that entire time, the county has used a private operator to manage the airport. The revenue

currently made by the airport can only be spent on airport operations, per Federal Aviation Administration regulations.

But Westchester County joined a pilot program in 2016 run by the FAA that allows officials for the first time to spend money generated by the airport for county expenses on things like police officers and road work.

Tim Halpern from Waccabuc, N.Y., about 25 miles north of the airport, said he is sympathetic to the county's pitch that a new private operator will be able to run the airport better. But he isn't convinced that's what's best for the community, he said.

"I don't want my house to get any louder," Mr. Halperin said. "I don't want my quality of life further eroded."

County officials say a future operator will continue to take environmental protections seriously, including being a responsible neighbor to the Kensico Reservoir, which provides drinking water to New York City. And concerns that plane traffic into and out of the airport could dramatically increase are overblown, county officials said, because a new operator would have to operate in the current footprint of the airport and wouldn't be able to add terminals or gates.

"Everything is working within the footprint of the airport," Mr. Astorino said. "It's pretty much built out."

The county's local law that limits the number of passengers that can pass through the terminal at 240 per half-hour will remain in effect.

Jonathan Wang, chairman of Citizens for a Responsible County Airport, notes the cap doesn't apply to private planes and corporate jets, which make up about 80% of the airport's operations. And the Westchester County Board of Legislators will now have a financial incentive to change the local law to raise the passenger cap to make more money once the airport is privatized, Mr. Wang said.

The county and the private operator will "have a strong incentive to increase profits whether by increasing the number of operations at the airport or by cutting costs on things like security or environmental protection," said Mr. Wang, who lives in Purchase, N.Y.

Some critics of the privatization plan say a new operator would be tougher to fire should it perform badly since the term of the lease could be up to 40 years. County officials say the lease agreement will allow them to terminate the contract for good cause.

Mr. Astorino in November initially selected Oaktree Capital Management to run the airport in a deal that would have provided the county with more than \$140 million over a 40-year deal. But legislators from the Westchester County Board of Legislators balked and pushed for a bidding process to screen for the best offer from several firms.

AvPorts, a firm from Virginia that currently operates the Westchester County Airport, also could make a bid for the contract. The company didn't respond to a request for comment.

Mr. Astorino said he expects the winning bidder to at least match Oaktree's initial offer.

Michael Kaplowitz, chairman of the board of legislators, said the privatization proposal currently doesn't have the 12 votes on the board needed to pass because many legislators, like himself, remain undecided.

"I want to see what the bid is that is ultimately accepted, and I need to get down to the details on a granular level of that bid," said Mr. Kaplowitz, a Democrat.

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