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Million Air Files Lawsuit in Excess of \$30 Million Against Westchester County

Federal action charges County with breach of contract and bad faith for delaying approval of airplane hangar.

WHITE PLAINS, NY (June 16, 2021) – After three-and-a-half years of delays and bad faith by Westchester County, which has refused to allow construction of a replacement hangar at Westchester County Airport in breach of the County's contractual obligations to Million Air, a prominent provider of private aircraft services, Million Air was left with no choice but to file a lawsuit today in federal court seeking more than \$30 million in damages.

The suit, brought by two of Westchester County's most prominent firms, White Plains' Yankwitt LLP, a law firm focused on highstakes litigation and Cuddy & Feder LLP, a nationally recognized law firm, seeks relief pursuant to the Federal Declaratory Judgment Act. It requests an "expedited declaration" that the County breached its lease with Million Air by "unreasonably failing" to approve Million Air's proposed modifications to a second hangar adjacent to its current hangar and passenger services terminal. The Complaint further asks the Court to approve the plans for the modified hangar and award more than \$30 million in damages caused by the County's ongoing breach of contract and bad faith and unfair conduct toward Million Air.

Russell Yankwitt and Ross Morrison, both former Assistant U.S. Attorneys, are leading the legal team. "It's unfortunate that the benefits of the second hangar are not being realized," said Yankwitt. "Not only would it create additional jobs, improve the airport, and increase County and municipal revenues, but it also would reduce the number of "unnecessary" flights by more than 1,000, by eliminating ferry flights – flying empty planes to their home bases. Eliminating these "double" flights reduces both noise and carbon emissions, which only helps Westchester."

Instead, the delay is causing approximately \$175,000 in damages each week the County fails to comply with its obligations under the lease. "The County's failure to approve the modified hangar is causing millions of dollars in damage to Million Air. Thus far with the delay, the company has forfeited millions of

dollars in lost revenue and other unnecessary costs," Yankwitt said.

Also noteworthy is Million Air's active involvement in the community, and its plan for the replacement of the aging facilities to significantly improve environmental conditions, reduce flight noise, add more jobs for county residents, and increase revenue for Westchester County.

The lease contemplates major improvements to Million Air's facilities at the County-owned airport. Thus, in the first phase, Million Air constructed a new state-of-the-art 50,000-square-foot hangar and a world-class passenger services terminal, which opened in 2018 and 2019, respectively.

In November 2017, Million Air submitted plans for the second phase of the improvement project contemplated by the parties, proposing to modify the second hangar. The County's years-long bad faith refusal to approve the second hangar, in clear breach of the provisions of the lease, has forced Million Air to seek relief from the courts.

In January 2018, George Latimer took office as County Executive. The lawsuit states that his administration has refused to approve the second hangar without providing a valid reason – a clear breach of the provisions of the lease – instead "offering only conclusory and wildly inconsistent reasons" for the denial.

Yankwitt concludes: "The County's actions have breached the terms of Million Air's lease as well as the obligation of good faith and fair dealing required between parties to a contract. For these reasons, Million Air has no choice but to seek the Court's intervention to enforce its rights to build the second hangar and to be compensated for the damage caused by the County's contractual breaches and bad faith conduct."

Million Air Complaint

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