



Office of the County Executive

Monroe County, New York

Adam J. Bello
County Executive

January 5, 2024

OFFICIAL FILE COPY
No. <u>240034</u>
Not to be removed from the Office of the Legislature Of Monroe County
Committee Assignment
AGENDA/CHARTER - L
ENV. & PUB. WORKS

To The Honorable
Monroe County Legislature
407 County Office Building
Rochester, New York 14614

Subject: Enact a Local Law Amending the Airline-Airport Use and Lease Agreements with American Airlines, Inc., Delta Air Lines, Inc., Federal Express Corporation, JetBlue Airways Corporation, Southwest Airlines Co., and United Airlines, Inc. for Space at the Frederick Douglass-Greater Rochester International Airport

Honorable Legislators:

I recommend that Your Honorable Body enact a Local Law amending the Airline-Airport Use and Lease Agreements with American Airlines, Inc., Delta Air Lines, Inc., Federal Express Corporation, JetBlue Airways Corporation, Southwest Airlines Co., and United Airlines, Inc.

Except for the name, address and contact person, all the terms and conditions of each of the Airline-Airport Use and Lease Agreements and the amendment thereto are the same.

The amendment of the Airline-Airport Use and Lease Agreements was approved by Resolution No. 9 of 2023 by the Monroe County Airport Authority at its meeting on May 17, 2023.

American Airlines, Inc. Delta Air Lines, Inc., Federal Express Corporation, JetBlue Airways Corporation, Southwest Airlines Co., and United Airlines, Inc. are publicly traded companies or owned by a publically traded company.

The specific legislative actions required are:

1. Schedule and hold a public hearing on the proposed Local Law.
2. Authorize the County Executive, or his designee, to enter into an Airline-Airport Use and Lease Agreement Amendments, and any amendments thereto, on behalf of the Monroe County Airport Authority, with American Airlines, Inc. Delta Air Lines, Inc., Federal Express Corporation, JetBlue Airways Corporation, Southwest Airlines Co., and United Airlines, Inc., for space at the Frederick Douglass-Greater Rochester International Airport, with the following amended terms and conditions to the existing Airline-Airport Use and Lease Agreements (the "Agreements") between the parties for the period from January 1, 2019 through December 31, 2023:
 - a. Update the name of the airport to the Frederick Douglass-Greater Rochester International Airport throughout the Agreements.
 - b. Extend the Term to December 31, 2028, and replace December 31, 2023 with December 31, 2028 throughout the Agreements.
 - c. Amend the definition "Net Airfield Requirement," replace the reference to "Exhibit 'G'." with "Exhibit 'G-4'." in Article I.

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- d. Amend the definition "Net Terminal Requirement," replace the reference to "Exhibit 'G'." with "Exhibit 'G-5'." in Article I.
- e. Amend Article VIII by (i.) Deleting the phrase, "Non-Signatory Airline" Section 8.02.B.2; (ii.) Replace Section 8.06 with updated Revenue Sharing agreed to by the parties; (iii.) Replace Section 8.09 with updated Non-Signatory Airline Landing Fees and Terminal Fees agreed to by the parties; (iv.) Replace Exhibits "E" and "G" with new Exhibit "E" and "G" as required by the replacements.
- f. Replace Article XIX with current Federal Aviation Administration update government inclusion language regarding (i.) Government Agreements; (ii.) Emergency Clause; (iii.) Human Rights Law; (iv.) General Civil Rights Provisions; (v.) Compliance with Nondiscrimination Requirements; (vi.) Title VI Clauses for Transfer of Real Property Acquired or Improved Under the Activity, Facility, or Program; (vii.) Title VI Clauses for Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program; (viii.) Title VI List of Pertinent Nondiscrimination Acts and Authorities; (ix.) Additional Federal Grant Agreement Covenants; (x.) Americans with Disabilities Act and Air Carrier Access Act; and (xi.) Security.

This action is a Type II Action pursuant to 6 NYCRR § 617.5 (c)(32) ("license, lease and permit renewals, or transfers of ownership thereof, where there will be no material change in permit conditions or the scope of permitted activities") and is not subject to further review under the State Environmental Quality Review Act.

This Airline-Airport Use and Lease Agreements, as amended, continue to be revenue generating to the Monroe County Airport Authority, and no County support is required in the current Monroe County budget.

The records in the office of the Monroe County Treasury have indicated that neither American Airlines, Inc. Delta Air Lines, Inc., Federal Express Corporation, JetBlue Airways Corporation, Southwest Airlines Co., and United Airlines, Inc. nor any of their principal officers, owe any delinquent Monroe County property taxes. The principal officers of each of the Airlines are:

American Airlines, Inc.

Robert Isom, Chief Executive Officer

Devon May, Chief Financial Officer

Priya Aiyar, Chief Legal Officer

Delta Air Lines, Inc.

Ed Bastian, Chief Executive Officer & Director

Glen Hauenstein, President

Dan Janki, Executive Vice President-Chief of Operations

John E. Laughter, Chief Operating Officer & Executive Vice President

Federal Express Corporation

Frederick W. Smith, Chairman & Chief Executive Officer

Rajesh Subramaniam, President & Chief Operating Officer

Michael Lenz, Executive Vice President and Chief Financial Officer

Mark Allen, Executive Vice President, General Counsel & Secretary

JetBlue Airways Corporation

Robin Hayes, Chief Executive Officer

Joanna Geraghty, President & Chief Operating Officer

Ursula Hurley, Chief Financial Officer

Al Spencer, Vice President – Chief Accounting Officer

Joanna Geraghty, President and Chief Operating Officer

Southwest Airlines Co.

Robert E. Jordan, President & Chief Executive Officer
Andrew Watterson, Chief Operating Officer
Ryan Green, Executive Vice President & Chief Commercial Officer
Gary Kelly, Chairman

United Airlines, Inc.

Brett J. Hart President
J. Scott Kirby Chief Executive Officer & Director
Torbjorn J. Enqvist Chief Operations Officer & Executive VP

I recommend that this matter be referred to the appropriate committee(s) for favorable action by Your Honorable Body.

Sincerely,


Adam J. Bello
Monroe County Executive

AJB:db

By Legislators _____ and _____

Intro. No. ____

LOCAL LAW NO. __ OF 2024

ENACTING LOCAL LAW ENTITLED “AMENDING THE AIRLINE-AIRPORT USE AND LEASE AGREEMENTS WITH AMERICAN AIRLINES, INC., DELTA AIR LINES, INC., FEDERAL EXPRESS CORPORATION, JETBLUE AIRWAYS CORPORATION, SOUTHWEST AIRLINES CO., AND UNITED AIRLINES, INC. FOR SPACE AT THE FREDERICK DOUGLASS-GREATER ROCHESTER INTERNATIONAL AIRPORT”

BE IT ENACTED BY THE LEGISLATURE OF THE COUNTY OF MONROE, as follows:

Section 1. The County Executive, or his designee, is hereby authorized to execute amendments to the Airline Airport Use and Lease Agreements, and any amendments thereto, on behalf of the Monroe County Airport Authority, with American Airlines, Inc., Delta Air Lines, Inc., Federal Express Corporation, JetBlue Airways Corporation, Southwest Airlines Co., and United Airlines, Inc., for space at the Frederick Douglass-Greater Rochester International Airport, with the following amended terms and conditions to the existing Airline-Airport Use and Lease Agreements (the “Agreements”) between the parties for the period from January 1, 2019 through December 31, 2023:

a. Update the name of the airport to the Frederick Douglass-Greater Rochester International Airport throughout the Agreements.

b. Extend the Term to December 31, 2028, and replace December 31, 2023 with December 31, 2028 throughout the Agreements.

c. Amend the definition “Net Airfield Requirement,” replace the reference to “Exhibit ‘G’.” with “Exhibit ‘G-4’.” in Article I.

d. Amend the definition “Net Terminal Requirement,” replace the reference to “Exhibit ‘G’.” with “Exhibit ‘G-5’.” in Article I.

e. Amend Article VIII by (i.) Deleting the phrase, “Non-Signatory Airline” Section 8.02.B.2; (ii.) Replace Section 8.06 with updated Revenue Sharing agreed to by the parties; (iii.) Replace Section 8.09 with updated Non-Signatory Airline Landing Fees and Terminal Fees agreed to by the parties; (iv.) Replace Exhibits “E” and “G” with new Exhibit “E” and “G” as required by the replacements.

f. Replace Article XIX with current Federal Aviation Administration update government inclusion language regarding (i.) Government Agreements; (ii.) Emergency Clause; (iii.) Human Rights Law; (iv.) General Civil Rights Provisions; (v.) Compliance with Nondiscrimination Requirements; (vi.) Title VI Clauses for Transfer of Real Property Acquired or Improved Under the Activity, Facility, or Program; (vii.) Title VI Clauses for Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program; (viii.) Title VI List of Pertinent Nondiscrimination Acts and Authorities; (ix.) Additional Federal Grant Agreement Covenants; (x.) Americans with Disabilities Act and Air Carrier Access Act; and (xi.) Security.

Section 2. This local law shall take effect in accordance with the provisions of the Municipal Home Rule Law and the Monroe County Charter.

File No. 24-_____.LL

ADOPTION: Date: _____

Vote: _____

ACTION BY THE COUNTY EXECUTIVE

APPROVED: _____ VETOED: _____

SIGNATURE: _____ DATE: _____

EFFECTIVE DATE OF LOCAL LAW: _____