



THE PORT AUTHORITY
OF NY & NJ

Business Attraction Plan for Stewart International Airport



**Port Authority of New York
and New Jersey**

MODIFIED: December 4, 2014



As directed by Governor Andrew M. Cuomo, the Port Authority of New York and New Jersey (“PANYNJ”) in consultation with Empire State Development (“ESD”) will collaborate on a plan (“Plan”) to attract businesses to Stewart International Airport (“Stewart”).

Stewart International Airport is strategically located in both the towns of Newburgh, NY and New Windsor, NY at the intersection of Interstate Routes 84 and 87 and in the heart of the Hudson Valley in Orange County, New York. The airport is 60 miles north of New York City and within a 250-mile radius of Philadelphia, Baltimore, Washington, D.C., Buffalo, Boston, Toronto and Montreal. The total population within the Stewart catchment area is 1.8 million people, making it the 17th largest catchment area in the United States. Approximately 2,700 people are employed at Stewart. The airport contributes about \$450 million in economic activity to its region, generating about 3,300 total jobs and more than \$160 million in annual wages and salaries. The airport covers 2,400 acres of land.

Major industries are growing in the Hudson Valley. From the tourism market to institutional anchors such as West Point, the regional economy is experiencing a renaissance. Top industries in the area include healthcare, distribution and manufacturing, as well as agriculture. Recently, Amy’s Kitchen, a popular natural and organic food company, has developed a 700,000 square feet distribution center.

Currently, Stewart International maintains approximately 500,000 square feet of cargo facilities, so there is significant potential for growth and expansion of air cargo operations and related warehousing and logistics businesses at and around the airport. Of Stewart’s current cargo capacity, only 60,000 square feet are dedicated for air cargo facilities.

Given the overall expected growth in population and trade in the region and the land constraints at the other major regional airport hubs, Stewart has immense opportunity. With potential warehousing and logistics site opportunities in the surrounding area (both off and on site), air cargo carriers can reach approximately 78 million people with same-day delivery. While major regional airports such as JFK and Newark Airport will always play a primary role in “belly cargo” (i.e. cargo that is carried in the bellies of scheduled passenger plane service), airports such as Stewart can offer specialized cargo and aviation services for dedicated cargo operators seeking to serve markets not served by JFK. PANYNJ has worked with cargo carriers to expand existing operations on-airport. With airside improvements including high-speed turnoff taxiways and runway rehabilitation as well as additional operational improvements, existing cargo carriers have increased investment at the airport. Note that additional airside development may be underway in the future that may support the fixed based operator and improve infrastructure, including fuel farms.

In an effort to develop air cargo at the airport, the business attraction plan will create short-term and long-term actionable opportunities to grow air cargo service. This plan will allow for Stewart and John F. Kennedy International Airport (“JFK”) to both grow their collective cargo businesses in concert with one another.

Description of Plan

The Plan will entail a review of underutilized land within the leased premises of the Port Authority as well as surplus State-owned property that is adjacent to the airport that is owned by NYS. The Plan will seek to maximize private investment in and around Stewart by thoroughly examining the developable footprint of underutilized and surplus State property in and around the airport, taking into consideration the availability and condition of utilities on the sites, existing environmental conditions including wetlands, transportation access and infrastructure and land use restrictions. The Plan will be divided into three parts:

1.Short-term opportunities

- a.Examination of available sites within the Industrial Park managed by PANYNJ, maximizing, taking into consideration absence of airside connectivity
- b.Recommendations on how sites can be proactively marketed to job-intensive cargo companies, including as warehouse or logistics development
- c.Identify on-airport opportunities beyond the Industrial Park with more airside connectivity.

2.Long-term opportunities

- a.Prioritize set of surplus property owned by DOT to bring to a shovel-ready stage
- b.Feasibility studies for site development, including an analysis of if/where development can happen on each site and the necessary infrastructure investments to facilitate long-term development
 - i. Identification of financing mechanisms to create for necessary infrastructure investment
- c.Enhance New York’s position as a leader in global commerce by increasing cargo capacity at Stewart while ensuring continued operations of cargo facilities at JFK Airport.

3.Analysis of the applicability of NYS Incentives for airport/cargo related businesses

- a.Survey of existing New York State business attraction programs including STARTUP NY and Excelsior Jobs Program

The Plan will be created by PANYNJ, the operator of Stewart Airport in collaboration with the ESD. The Plan will make concrete recommendations to market the opportunities at Stewart focusing on short and long-term recommendations. As part of the Plan, a site feasibility assessment will be conducted.



Background on Stewart Airport

The property is owned by New York State Department of Transportation (NYS DOT) and is operated by the Port Authority of New York and New Jersey (PANYNJ) under a 99-year lease. The airport offers scheduled airline flights by carriers such as JetBlue, Delta and US Airways, private and corporate jets, cargo flights for mail, oversized freight, livestock and express packages and is home to the 105th Airlift Wing of the Air National Guard. The airport encompasses 2,400 acres including two asphalt runways and a two-story terminal building. The airport handles a variety of cargo, from oversized freight to express packages to livestock. The airport is home to the New York Animal Import Center.

FedEx and UPS operates regularly scheduled flights at the airport. The U.S. Postal Service's mail facility for the mid-Hudson region and a USDA inspection facility are at the airport.

Within the airport, there is an existing industrial park that is leased and operated by the Port Authority. The industrial park is approximately 200 acres with nearly 60 acres available for development. In addition, there are up to 500 acres of surplus State-owned land controlled by DOT adjacent to Stewart International that could be also used for redevelopment. Below is a table and map of the surplus parcels.



State-Owned Opportunities at Stewart International

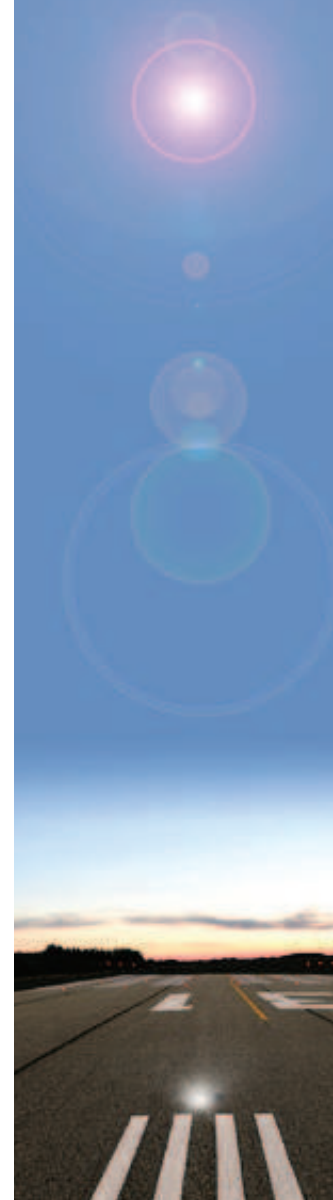
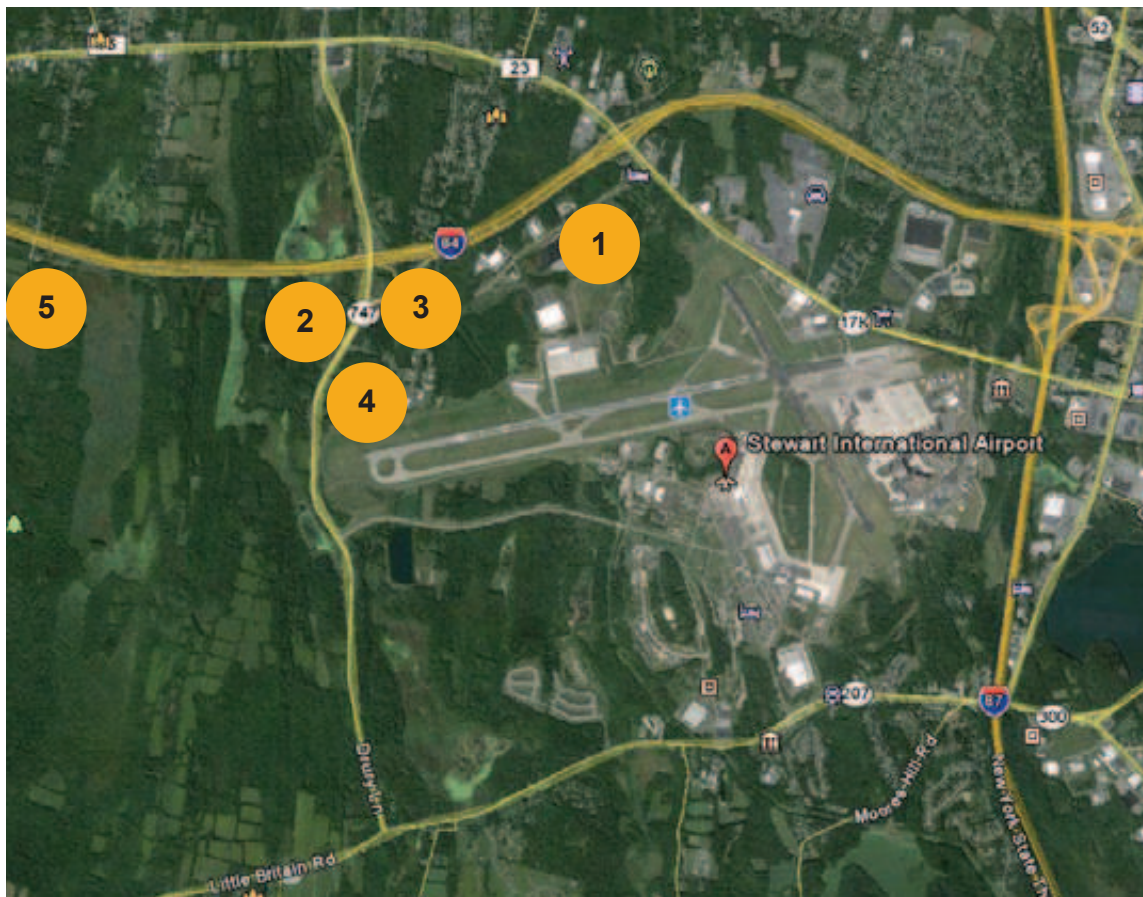
Parcel	Approximate Number of Acres	Managing Agency	Potential Use	On-site Utilities	On-site Wetlands	Development Plan
1	60	Port Authority	Non-Aeronautical Commercial/Light Industrial/Warehousing*	Yes	TBD	Short-term
2	283	DOT	Non-Aeronautical Commercial/Light Industrial/Warehousing*	No	Yes	Long-term
3	42	DOT	Non-Aeronautical Commercial/Light Industrial/Warehousing*	No	Yes	Long-term
4	17	DOT	Non-Aeronautical Commercial/Light Industrial/Warehousing*	No	Yes	Long-term
5	100	DOT	TBD*	No	TBD	Long-term

*Site needs to be reviewed for development feasibility

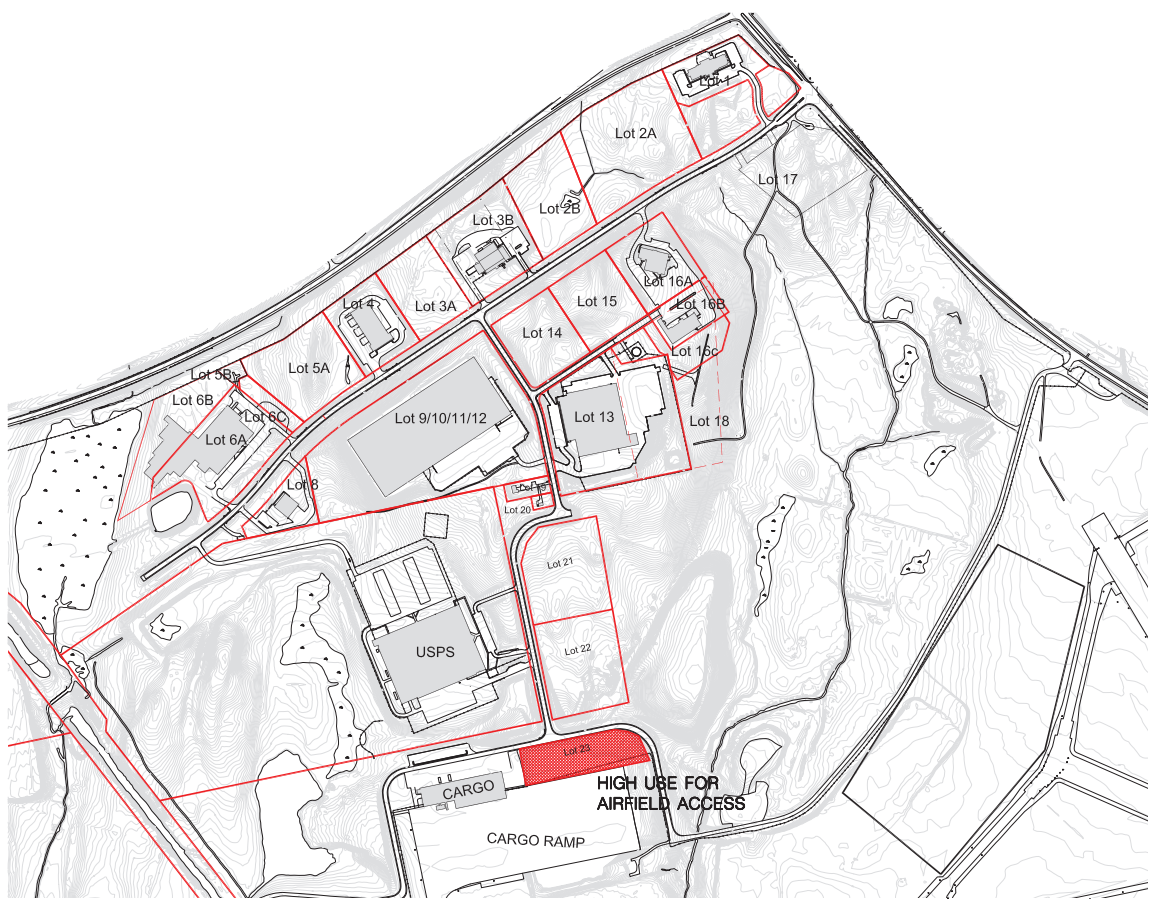
Parcels 2,3,4 and 5 are located adjacent to Stewart International Airport along Interstate 84. The sites, totaling approximately 441 acres, do not have any on-site utilities. Parcels 2,3 and 4 have on-site wetlands. Further information regarding wetlands is needed for Parcel 5. All of these sites need to be reviewed for development feasibility.



Overview of Sites at Stewart International Airport



Parcel 1: Stewart Industrial Park (Port Authority)



Available Parcels within Industrial Park

Available Parcels		
Lot Number	Status	Acreage
2A	VACANT	8.71
2B	VACANT	5.00
3A	VACANT	4.00
5A	VACANT	5.50
14	VACANT	4.10
15	VACANT	4.10
17	VACANT	5.10
21	VACANT	5.79
22	VACANT	5.90
23	VACANT	5.42



Parcels 2-5: Surplus Parcels (DOT)

