



Bloomberg, Paterson and Delta Air Lines unveil new \$1.2 billion redevelopment/expansion Terminal 4 plans

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Mayor Michael Bloomberg, governor David Paterson and Delta Air Lines CEO Richard Anderson unveiled plans for the redevelopment and expansion of the Delta Air Lines Terminal 4 at John F. Kennedy International Airport (JFK). Work on the \$1.2 billion project, which was recently approved by the Port Authority of New York & New Jersey, will begin this September and create a new space for the airline and 10,000 jobs over the next three years; and also further establish the city as a major tourist destination. The mayor, governor and Anderson were joined at the city hall by the Dutch Minister of Transportation, Camiel Eurlings; congressman Meeks; senate majority conference leader John Sampson; senate president pro tempore Malcolm Smith; assembly speaker Sheldon Silver; city council speaker Christine Quinn; Port Authority executive director Chris Ward; Jos Nijhuis, CEO of Schiphol Group; Alain Maca, president of JFKIAT; and NYC & Company CEO George Fertitta.

"Ensuring reliable air transportation to and from New York City is crucial to strengthening our economy. And the decision by Delta Air Lines to expand its international terminal at Kennedy Airport will make it easier for even more people to travel to this city in the coming years," said Bloomberg. "Not only will this \$1.2 billion project cement New York City's status as the nation's top travel destination, it will also create an additional ten-thousand jobs over the next three years."

"John F. Kennedy Airport, one of the world's busiest airports, will continue its transformation into one of the nation's most state-of the-art airports with the approval of this plan and the construction of a new billion dollar extension to the international terminal," said Paterson.

"The Terminal 4 expansion will not only help increase customer service for thousands of travelers and bring much-needed renovations and upgrades to handle the demands of 21st Century air travel, but it will create hundreds of construction jobs for New York residents. I would like to thank Port Authority executive director Chris Ward and Delta Airlines CEO Richard Anderson for their commitment to this project, and laying the groundwork for a new, world class terminal at JFK Airport."

"The newly expanded and enhanced Terminal 4, one of many substantial investments we're making in New York, will provide significant benefits to our customers, employees and the city of New York for decades to come," said Anderson. "Following a multi-year effort, we are very pleased to have reached a decision with the Port Authority of New York and New Jersey, JFKIAT and Schiphol USA. This plan allows us to move forward with the enhancement of our terminal hub, one that will showcase modern, welcoming facilities and meet the needs of the world's most competitive and largest aviation market."

Delta Air Lines is a key source of inbound air traffic to New York City for both leisure and business travel. The aviation industry supports nearly 500,000 jobs throughout the tri-state region and

accounts for \$57 billion in economic activity annually, including \$23 billion in spending on the region's airports. Ensuring that the area's airports are equipped to handle the demands of 21st Century air travel is essential to the continued growth of the region's economy.

Currently at JFK, Delta operates predominantly out of Terminal 2 for its domestic flights and Terminal 3, internationally. The expansion of Terminal 4 - which has been successfully managed by JFKIAT for over a decade - will replace outdated facilities and enhance the customer experience for the 11 million passengers Delta serves at JFK annually. The \$1.2 billion project will generate an additional 10,000 on-airport and construction-related jobs by 2014, bring \$500 million additional personal income into the region, and create \$1.6 billion of economic output from the purchases of goods and services. The expansion of Terminal 4's Concourse B includes the addition of nine new international gates sized to accommodate larger aircraft; the construction of a connector between Terminal 2 and Terminal 4; an expanded baggage claim area; Customs and Border Protection; and ultimately, the demolition of Terminal 3, which will be paved for aircraft parking beginning in July 2015. Construction is scheduled to begin on Terminal 4 in September 2010, with anticipated completion of phase one of development and full relocation of Delta's Terminal 3 operations in May 2013. In addition, new, dual taxiways will result in reduced taxi times and better on-time performance. When completed in 2015, the total economic impact of Delta's New York operation will contribute over \$19 billion annually.

The city's tourism industry continues to rebound across all sectors. From January through June, average hotel occupancy rate in the City was 6.8% above the same period in 2009, and the expansion of room demand has balanced the increased room inventory across the city. An additional 1 million more hotel room nights were sold compared to the same time period in 2009, outperforming 2008, which was also a record year. In addition, hotel tax revenues contributed \$178 million to the city, up 25% over 2009. The first half of 2010 also saw a 9.4 percent increase in the number of Amtrak non-commuter passengers arriving at Penn Station to more than 1.8 million non-commuter arrivals. Similarly, the total volume of in-bound passenger traffic at the city's three major airports rose 1.2% during the January-May period while international arrivals rose 4.8%.

Other indicators of the rebounding health of the industry include employment in the leisure and hospitality sector, which show continued increases since the beginning of the year, and by June, more than 320,000 people were employed in the leisure and hospitality sector. In addition, Broadway theatres sold more than 6 million tickets an increase of 3.7 percent over the same period in 2009.

"This Delta-Port Authority announcement launches a billion dollar expanded and enhanced facility for JFK that will create new jobs and a state-of-the-art portal to the world's greatest city," said Schumer. "JFK is the gateway to New York City. And this new facility will enable travelers to fly into and fly out of our great city with ease and comfort. Terminal 4 will greatly improve traveling for New Yorkers - and travelers across the globe - and showcase New York as the transportation hub of not only the nation, but the world."

"I applaud Delta Air Lines and the Port Authority of New York and New Jersey for working together to bring this major investment to John F. Kennedy International Airport," said senator Kirsten Gillibrand. "This \$1.2 billion project represents a firm commitment from Delta Air Lines to further deepen its ties to New York's economy by providing jobs and enhancing our transportation infrastructure. I look forward to working with our airline carriers and airport operators to further upgrade our aviation infrastructure and ensure good jobs and quality air transit for New York's

economy."

"The announcement that a new Delta Air Lines terminal expansion and redevelopment at JFK Airport is a great moment for the Sixth Congressional District," said congressman Gregory Meeks (D-NY). "Thousands of jobs will be created with badly needed revenue to aid our economic recovery. I would like to commend Delta Airlines, the Port Authority, and everyone involved for their commitment to the people of New York and those who will visit our great city."

"New York works best when New Yorkers are working. Today's announcement secures the type of sound business initiatives we need to create the jobs and grow the industries that will help New York retain its standing as the Empire State," said Sampson. "I applaud governor Paterson, mayor Bloomberg, our U.S. Senate and Congressional delegation, Port Authority executive director Chris Ward, Delta CEO Richard Anderson, as well as senate president pro tempore Malcolm Smith and senator Shirley Huntley for their collective efforts to rebuild our economy."

"The economic stability of New York State depends upon our ability to create jobs and to retain and attract businesses. This announcement today by Delta Air Lines to expand their terminal is exactly the type of investment that secures these key goals, resulting in thousands of jobs and billions of dollars to the region," said Smith. "I congratulate governor Paterson, mayor Bloomberg, Port Authority executive director Chris Ward, Delta CEO Richard Anderson and senator Shirley Huntley for their successful perseverance over the last year and a half in making this critical economic development initiative a reality."

"Today, we welcome Delta Air Lines and CEO Richard Anderson and commend their decision to build a state-of-the-art, showcase terminal facility at JFK," said Silver. Substantial investments like the one Delta is making will create much needed economic development, thousands of jobs and will help us build a bigger, brighter New York."

"Welcoming a quarter of JFK Airport's 46 million passengers every year, the new Delta terminal will create a 21st century aviation hub for millions of domestic and international travelers as well as create thousands of new jobs at a time when our city needs them most," said Quinn.

"Schiphol is honored that Delta has chosen Terminal 4 to serve as the new hub of its New York operations," said Nijhuis. "Delta Airlines is a member of the SkyTeam alliance with Air France-KLM, so this will also strengthen ties among the airports of Amsterdam, Paris and New York. Our added value is our ability to harmonize the processes needed to achieve a pleasurable travel experience and serve our airlines in a cost-effective way. In addition, Delta's choice reflects the success of Terminal 4 after nearly a decade in operation. At the same time, the terminal will continue to serve independent airlines and host current customers."

"Our team is looking forward to making this plan happen in the best interest of all stakeholders," said Maca. "It is an exciting challenge to continue to serve our customers while expanding our facilities. The implementation of the ambitious development plan with Delta represents a major new milestone in the history of our terminal."

"Delta's commitment to developing a state-of-the-art terminal is a strong sign that the aviation industry, and the millions of passengers it serves, will continue to be engines of growth for New York City's economy," said NYCEDC president Seth Pinsky. "This project represents another step toward ensuring that the region's airports can handle the demands of 21st Century air travel - a key part of strengthening New York City's role as a global center of business and innovation."

As the leading international carrier in New York, Delta currently offers non-stop service to 98 global destinations from JFK and offers more than 1,000 weekly JFK departures. International service

includes non-stop service to Africa, Europe, the Middle East, Asia, Latin America and the Caribbean, with new service being offered to Tokyo and Tel Aviv, among other destinations.

The preliminary visitor volume results show that the city received approximately 23.5 million visitors in the first half of 2010, an 8.75% increase over the same period in 2009. The city remains on course to host approximately 47.5 million visitors by the end of 2010 - a 4.2% increase over 2009. The tourism industry remains the city's fifth largest industry contributing to more than 300,000 jobs and nearly \$30 billion in direct spending across the city's five boroughs.

"The first half of 2010 has been particularly strong and our early projections show a return to record-breaking visitation levels," said Fertitta. "Under the leadership of Mayor Bloomberg we have created the city's first global marketing campaign and developed strategic public-private partnerships that have built and promoted the brand of New York City around the world in a way that has ensures this \$30 billion industry remain vibrant and engages to both visitors and New Yorkers alike. We remain on track to meet our goal of 50 million visitors annually by 2012; I applaud Delta Air Lines for their efforts to improve the New York City travel experience."

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