

Sky Harbour Fraud

While working on a land-use case for a proposed Hillsboro Airport jet hangar development, community members discovered that the Applicant (New York based Sky Harbour Group and the Port of Portland) submitted [false statements](#) to the Federal Aviation Administration that resulted in the granting of an environmental waiver. The Applicant concealed the false statements and used the waiver's isolated [decision page](#) to gain project approval from the Hillsboro Planning Commission. Allegations of fraud were first made in a [comment letter](#) to the Hillsboro City Council and then again in testimony by [Brett Hamilton](#) and [Teresa Tse](#). Three weeks later, while the appeal was still pending, the Applicant withdrew, and stated their intent to re-apply.

All the necessary elements are present to prove fraud: Applicant intentionally used a falsehood or misrepresentation to gain something of value. City staff relied on that falsehood or misrepresentation to conclude that the project would comply with federal environmental regulations. The Hillsboro Planning Commission relied on the falsehood or misrepresentation to make their land use decision. The victims of the fraud (the public and the City) suffered measurable financial loss (appeal fees, legal fees, and staff time) as a result.

Financial Impact

Approval of this project would generate millions in revenue for the Applicant.

- Port of Portland revenue: \$15.25M over 35 years ([screenshot](#) of [video](#))
- Sky Harbour revenue: \$8.3M per year from this facility.

Sky Harbour hangars generate revenue of roughly \$45 per square foot per year (\$40 /sq ft in rent and \$5 /sq ft in fuel sales, per [source](#)). The proposed Hillsboro facility would total [183,949 square feet](#) of hangar space, generating roughly \$8.3M per year in revenue for Sky Harbour Group. Applicant would gain significant long-term profit and market advantage from the approval of this project.

Damages: Community members donated more than \$16,000 to the Tualatin Riverkeepers to fund the appeal effort. An itemized list and receipts are available upon request. Community members and volunteers also spent their own money and hundreds of hours of time working on the appeal, including printing thousands of flyers and making multiple trips across Washington County.

The City of Hillsboro lost hundreds of hours of staff time, plus the expense of a 5-hour public hearing that ran past midnight, including a land use consultant attorney and security. The Applicant even received a Hillsboro Police escort after the hearing.

Misleading Public Testimony by Sky Harbour

In addition to the Applicant's false responses on documents, David Annin, Director of Operations at Sky Harbour Group, also provided [misleading and inaccurate testimony](#) to the Hillsboro City Council. For example, during questioning by City Council President Rob Harris, Mr. Annin claimed that the CATEX application was not filed specifically for Sky Harbour despite the fact that the document says "Sky Harbour Hangars" on multiple pages, including the title.

Misleading Public Statements by Port of Portland

On October 27, 2026 at the HIO Fall Community Forum, Stephen Winkle, Senior Manager of Airside Real Estate and Aviation Contract Administration at the Port of Portland, [misrepresented](#) the false responses on the CATEX application and claimed that there is only one disputed answer on the form. Jennifer Bies, Director of Environmental concurred with Stephen's statements.

Fraud on CATEX Application

The heart of this case is the false and misleading statements provided by the Applicant to the FAA on the CATEX application which resulted in the issuance of a NEPA waiver, which allowed the Applicant to avoid an Environmental Assessment (EA) and/or Environmental Impact Statement (EIS). Below are details for each problematic response. In our [marked up copy](#), red numbers are for statements that are proven false or very likely false. Orange numbers are for statements that are possibly false and/or highly questionable.

01 Page 5 Q: **Give a brief, but complete, description of the proposed project area. Include any unique or natural features within or surrounding airport property.**

The applicant describes the project site but fails to mention the most unique, significantly impacted property, the Hillsboro Brookwood Public Library, located across the street from the project site. The Library would be subjected to loud jet noise due to proximity and the layout of the hangars. The Applicant proposed a 7-foot tall chain-link fence as the barrier between the jets and the library. The jet engines would be visible above the top of the fence, with direct line of sight from the street. This is a meaningful omission. ([Renderings](#) pg: 2,7,8,13,16,18 and [Staff Report 4](#) pg 192)

02 Page 8 Q: **Does the project affect or have the potential to affect, directly or indirectly, any federal or state-listed, threatened, endangered or candidate species, or designated habitat under the Endangered Species Act?**

Applicant states "All stormwater flowing from the project area would be treated before entering surrounding surface waters". The proposed stormwater "treatment" referred to is filtration and surface collection runoff swales that do not address or treat hazardous wastes such as de-icing or anti-icing chemicals (similar to automotive anti-freeze) that would be used at this facility. (See [Tualatin Riverkeepers comment](#) letter)

03 Page 11-12 Q: **Will the project change aircraft/vehicle traffic patterns that could alter fuel usage either during construction or operations?**

Applicant states: "Since the project relocates existing services at HIO, fuel usage is not expected to change post-construction." This is false because this project will bring in 30 new jets, and will result in a significant increase in fuel usage, hence the need for a 40,000 gallon fuel farm on site. (See [Applicant Memo](#) page 2 and 10)

04-05 Page 12 Q: **Will the project disrupt a community, planned development or be inconsistent with plans or goals of the community?** Applicant states that the proposed project "is consistent with the 2020 HIO Master Plan Update. The project would not disrupt a community, planned development, or be inconsistent with area land use plans." This is false because the project will seriously disrupt the library, the surrounding residential areas, and the [Cooper Mountain](#) planned development. The project is not consistent with the HIO Master Plan or the Hillsboro Comprehensive Plan. (See our [Comp Plan comment](#) letter)

06 Page 13 **Surface Transportation.** Q: **Will the project cause a significant increase in surface traffic congestion or cause a degradation of level of service provided?** The Applicant claims that "Since the project relocates existing services at HIO, there will be no change in the number of trips generated." This is false because the project will add 5 hangars, 30 additional jets, employees, and more vehicle traffic. (See [Applicant Narrative](#) Page 2 and [Staff Report 4](#) Page 527)

07-08 Page 13 Q: **Will the project result in an increase in aircraft operations, nighttime operations, or change aircraft fleet mix?**

These are the most significant false answers in the application. The project would nearly double the number of jets at Hillsboro Airport, significantly increase total jet operations, especially at night, and change the aircraft fleet mix in a significant way.

Sky Harbour's hangars would add 30 more jets to the 33 jets already at Hillsboro Airport (Source: Port of Portland [Public Records Request](#)). Sky Harbour's business model is a tax haven for out-of-state jet owners. These operations would require a significant share of late night and early morning positioning flights. Sky Harbour's application says "The hangars are typically expected to have approximately 60 percent of jets active at one time" ([Staff Report 4](#) Page 89) and "Based on employee data from similar HBO campuses operated by Sky Harbour, it is expected that approximately half of the aircraft will have a scheduled guest" ([Staff Report 4](#) Page 527) meaning that the other half of the time these jets will fly an empty-leg positioning flight. (See our [CATEX Fraud](#) comment letter)

09-10 Page 13 **Will the project cause a change in airfield configuration, runway use, or flight patterns either during construction or after the project is implemented?** This project would cause a significant increase in runway use.

11 Page 13 Q: **Does the forecast exceed 90,000 annual propeller operations, 700 annual jet operations or 10 daily helicopter operations or a combination of the above? If yes, a noise analysis may be required if the project would result in a change in operations.** Applicant repeats the false claim that “the project would not result in a change in the number of or type of operations” which has been proven false.

12 Page 13. **Noise Analysis Q: Has a noise analysis been conducted, including but not limited to generated noise contours, a specific point analysis, area equivalent method analysis, or other screening method. If yes, provide that documentation.**

Applicant repeats the false statement “no change to aircraft fleet mix, number of operations” despite the fact that this project would nearly double the number of jets and jet operations and cause a large increase in noise.

13-14 Page 14. Q: **Could the project have a significant impact (DNL 1.5 dB or greater increase) on noise levels over noise sensitive areas within the 65+ DNL noise contour?** Adding 30 jets at HIO would cause a significant increase in noise levels.

15 Page 14. **Air Quality Q: Does the project have the potential to increase landside or airside capacity, including an increase of surface vehicles?** Applicant checked “No” but this project would increase both airside and landside capacity at the airport. Applicant’s long-format answer is misleading and non-responsive to the question being asked.

16 Page 14. **Air Quality Q: Could the project impact air quality ... either during construction or operations?** Applicant checked “No” but the project would certainly have a negative impact on air quality in the departure and approach corridors, near the airport, and in the general Hillsboro area. (See the [Neighbors for Clean Air comment](#) letter)

17 Page 15. Applicant states “Therefore, it can be concluded that for NEPA purposes, the project will not cause a significant air quality impact.” This answer may be false.

18 Page 15. **Water Quality Q: Are there water resources within or near the project area? These include groundwater, surface water (lakes, rivers, etc.), sole source aquifers and public water supply. If yes, provide a description of the resource, including the location**

Depending on the definition of the word *near*, there are water resources near the project area. Dawson creek is across the street, and during flight operations, there could be negative impacts from the de-icing and anti-icing chemicals mentioned above. (See [Riverkeepers](#) letter)

19 Page 16. Q: **Will the project impact any of the identified water resources either during construction or operations?** Applicant Checked “No” which is likely false.

20 Page 16. Q: **Does the project have the potential to violate federal, state, tribal or local water quality standards established under the Clean Water and Safe Drinking Water Acts?** Applicant Checked “No” which may be false.

21-22 Page 16. Q: **Is the project highly controversial?** At the time the CATEX application was prepared, the project likely did not meet the definition of “highly controversial” because the general public had not received notice. However, the Applicant certainly knew that the project **would be** controversial once the public learned of it. (See [News Coverage](#))

23-24 Page 17. Q: **Will the project be inconsistent with plans, goals, policy, zoning, or local controls that have been adopted for the area in which the airport is located?** As outlined above, the project is not consistent with HIO Airport Master Plan, Hillsboro Comprehensive Plan, or the land use development review standards, per [Comp Plan](#) letter.

25-26 Page 17. Q: **Is the project incompatible with surrounding land uses?** This is false because the project is not compatible with, or consistent with, the surrounding residential land use near the airport and along the departure and approach corridors / flight path. (See [Richer Testimony](#))

27 Page 17. Q: **Will the proposed project produce light emission impacts?** The project would have exterior lighting to support 24/7 operations. This project would have significant light emission impacts. (See [Staff Report 4](#) page 208)

28-29 Page 17 Q: **Will there be visual or aesthetic impacts as a result of the proposed project or have there been concerns expressed about visual/aesthetic impacts?** Applicant minimizes the number of hangars by stating in the singular “a new hanger” and “The structure” instead of plural (five hangars). The answer is also not responsive to the nature of the question. Applicant also checked “No” but the hangars, aircraft, fencing, buildings, and equipment would have visual and aesthetic impacts, including being visible from the Brookwood Library and the Brookwood Parkway Trail. (See [Renderings](#))

30 Page 17 Q: **Does the project involve or affect hazardous materials?** Applicant again fails to mention de-icing or anti-icing chemicals. (See [Tualatin Riverkeepers comment](#) letter)

31 Page 21 Q: **I certify that the information I have provided above is, to the best of my knowledge, correct.** For this statement to be true, this designated “Airport Sponsor” would have to be unaware of the nature of the project. This seems highly unlikely.

Consciousness of Guilt:

Minutes from the April 8, 2026 Planning Commission meeting show ([bottom of page 5](#)) that the isolated CATEX decision page was provided to the Commissioners at the dais during the meeting. The Applicant withheld the rest of the document, thereby concealing the fraud from the City of Hillsboro. In combination with the Port’s refusal to release the full CATEX application to the public until the day *after* the Planning Commission’s Notice of Decision was mailed, this demonstrates consciousness of guilt.

Evidence in the Public Domain:

Key Documents: [CATEX Mark Up](#) [Fraud Letter](#) [Appeal Narrative](#)

NEPA CATEX: [Decision Page](#) [Full NEPA Application](#)

Public Hearing Questioning: [Mayor Beach Pace](#) [Council President Rob Harris](#)

Public Hearing Testimony: [Brett Hamilton](#) [Teresa Tse](#)

Public Statements: [HIO Fall Community Forum Transcript](#)

Document Archives: [City of Hillsboro](#) [Oregon Air](#)