

Donna Conkling

From: Mayor
Sent: Monday, October 07, 2019 10:35 AM
To: Mayra Rodriguez Valladares, MRV Associates
Cc: Steve Pappalardo; Donna Conkling; Trustee Ross; Trustee Veron; Trustee Arest; Trustee Crandall; Trustee Lewis; Trustee Waldman
Subject: Re: Transparency is Needed for Freightway Development (2)

Thank you for your email, Mayra. We appreciate your further thoughts on this matter.

Best,

Marc

> On Oct 5, 2019, at 3:41 PM, Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com> wrote:

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- > CAUTION: External sender.
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- > Thank you for your response, Marc. And thank you for including
- > Rochelle and Jonathan in your response; I did not have their emails.
- >
- > As per your points, here are my questions and comments.
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- > MS (i) portions of the RFP are, and should be, confidential, including
- > financial information about the developers - a critical portion of the
- > analysis of RFP responses,
- >
- > MKR: There is no reason that developers' responses should be confidential.
- > Taxpayers should see all responses so that we can compare and contrast
- > what the developers are proposing in terms of architectural designs,
- > and residential, cultural, sports, and cultural facilities. Moreover,
- > it is imperative we see their 20-year economic analysis. Did they
- > conduct a net present value analysis? Did they design some other type of financial model?
- > What assumptions did they use? Are their data complete and accurate?
- > Who validated their analysis? Were the validators independent? Given
- > the very weak financial state of the retail sector throughout the US,
- > and in Scarsdale, the last three years, it is important to understand
- > what retail mix the developers will recommend. Will Trump's multiple
- > front tariff wars and immigration restrictions impact the cost of construction and labor?
- >
- > Scarsdale has an unbelievable diversity of professional expertise and
- > personnel experiences. Over 20% of our residents are foreign born;
- > many of us have lived in other countries. Why would you not take
- > advantage of free input from all of us who care to be involved in municipal matters?
- >
- > Taxpayers should absolutely see developers' on-and off-balance sheet
- > assets and liabilities, income statements, and current and projected
- > cashflow so that we can see how credit worthy and financially strong

> they are, especially to determine if they will be around until after
 > they complete the project.

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> MS (ii) a public review board can be of value, but may not always be
 > appropriate and a representative democracy is an appropriate form of
 > government to manage Village affairs,

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> MKR Why would a public review board not be appropriate? What precisely
 > do you mean by this point, please?

>

> The kind of representative democracy that you mention Scarsdale has,
 > is barely a democracy. As you well know the Scarsdale Citizens Party
 > has basically been the only party in Scarsdale for over 100 years.
 > Most officials have never run against anyone; hence officials are very
 > rarely properly vetted by residents. The Citizens Nominating Committee
 > which selects you never asks candidates a single question, so they
 > select you without knowing what your views and expertise are.
 > Precisely, because of the way that the vast majority of Scarsdale
 > boards have been chosen, is the reason that more residents should be
 > involved in municipal matters. The botched and corrupt Ryan reval, the
 > way that former Mayor Jon Marc's board voted not to allow residents to
 > vote on the library renovations, and how most boards appoint their
 > friends and relatives to important Village committees, are very
 > unfortunate examples of why Scarsdale mayors and board of trustees need input from a diversity of residents.

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> MS (iii) the Village has engaged professional and experienced planning
 > and legal consultants to support the Village in the Freightway
 > process,

>

> MKR What is the level of math and financial analysis knowledge of
 > these consultants? Where might I see examples of their work in this area?

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>

> MS (vi) the Freightway process has been proceeding for over 3 1/2
 > years in a thoughtful and deliberate process that has included a
 > year-long outreach process to include the views of as many residents
 > and other stakeholders as is reasonably possible, and

>

> MKR I know that Freightway has been discussed at board meetings
 > numerous time. I am also aware that a number of meetings have been
 > held about Freightway led by the Freightway Committee. Unfortunately,
 > the Freightway Committee that was set up by previous mayors was filled
 > only with their friends. Hence, my husband volunteered to attend the
 > meetings. As president of Old Scarsdale Neighborhood Association and
 > as OSNA secretary, respectively, he and I have a responsibility to
 > learn as much about Freightway as possible so that our neighborhood
 > residents are informed. Did the Freightway committee conduct an
 > economic analysis of what a Freightway development could mean for our
 > tax base? Was there a well-designed survey distributed widely and
 > through several channels to determine what residents want in
 > Freightway? If such a survey was distributed, what were the responses? Why was the Freightway Committee
 > disbanded?

>
> MS (v) the remainder of the Freightway process will include extensive
> resident input as the preferred developer proceeds through the SEQRA
> process.
>
> MKR: I thought that you had stated at a SNAP meeting that residents
> would get to hear the two developer finalists present their proposals.
> Above you say, 'the developer.' Does this mean that we will only hear
> from one developer? Why can we not have all developers present in one public meeting?
> Why would these people not want to showcase their proposals to one of
> the wealthiest towns in America?
>
> I concur with your last statement that " The macroeconomic environment
> will continue to evolve in many ways over this multi-year process and
> it is important to take a long-term perspective when evaluating
> projects with long-term implications on the Village." It is precisely
> because development of Freightway is a multiyear process that will
> possibly take place in various parts of the credit cycle, that is
> economic slowdown, recession, and expansionary points, that it is a
> serious mistake to be undertaking this very important project without
> Scarsdale having long-term financial and strategic plans in place. As
> I wrote repeatedly to former Mayor Hochvert, I recommend that such
> plans be created, not only based on my professional expertise, but
> also based on the recommendation of rating agencies and the important
> municipal standards setter, the Government Finance Officers
> Association. If the Scarsdale School District has a long-term
> financial model and is working on a plan, why would it not be
> important for the Village to have one? Is there a plan for how
> downtown revitalization and Freightway Development will be connected?
> Is there a plan for downtown revitalization? Have all trustees read
> the Forum's Downtown Revitalization Reports, to which Brice and I
> contributed over 100 hours in survey design, distribution, analysis and report writing? Were those reports given to the
> developers to incorporate residents' wishes in their proposals?
>
> Thank you for your time. I look forward to your response.
>
> Best regards,
> Mayra Kirkendall-Rodriguez
>
> Encl.
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>
>
> -----Original Message-----

> From: Mayor <mayor@scarsdale.com>
> Sent: Wednesday, October 2, 2019 6:42 PM
> To: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com>
> Cc: Steve Pappalardo <spappalardo@scarsdale.com>; Donna Conkling
> <dconkling@scarsdale.com>; Trustee Ross <sross@scarsdale.com>; Trustee
> Veron <jveron@scarsdale.com>; Trustee Arest <jarest@scarsdale.com>;
> Trustee Crandall <lcrandall@scarsdale.com>; Trustee Lewis
> <jlewis@scarsdale.com>; Trustee Waldman <rwaldman@scarsdale.com>
> Subject: Re: Transparency is Needed for Freightway Development

>
> Thank you for your email, Mayra. We will, as always, give
> consideration to your points. With that said, I trust that you are
> aware that: (i) portions of the RFP are, and should be, confidential,
> including financial information about the developers - a critical
> portion of the analysis of RFP responses,
> (ii) a public review board can be of value, but may not always be
> appropriate and a representative democracy is an appropriate form of
> government to manage Village affairs, (iii) the Village has engaged
> professional and experienced planning and legal consultants to support
> the Village in the Freightway process, (vi) the Freightway process has
> been proceeding for over 3 1/2 years in a thoughtful and deliberate
> process that has included a year-long outreach process to include the
> views of as many residents and other stakeholders as is reasonably
> possible, and (v) the remainder of the Freightway process will include
> extensive resident input as the preferred developer proceeds through the SEQRA process.

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> The Freightway process has been and will continue to be inclusive - an
> important tenet of the Village Board and staff from the inception of
> the discussion about the site.

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> The Freightway process is lengthy and we are years away from the
> potential opening of a revitalized Freightway site. The macroeconomic
> environment will continue to evolve in many ways over this multi-year
> process and it is important to take a long-term perspective when
> evaluating projects with long-term implications on the Village.

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> Thank you for your continued interest in Village matters.

>
> Best,

>
> Marc

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> On Oct 2, 2019, at 8:53 AM, Mayra Rodriguez Valladares, MRV Associates
> <mrvassoc@yahoo.com<mailto:mrvassoc@yahoo.com>> wrote:

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> CAUTION: External sender.
> Good morning!

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> I hope that you are well. I am very concerned at the lack of
> transparency in the Freightway Development process. All RFPs should be made public.
> Scarsdale taxpayers should be allowed to hear and read about all of

> the proposals. There is no reason for you to prohibit residents from
> learning about all of the economic details of all RFP submitted. Why
> would you limit public information about the RFPs to only two?
> Scarsdale has numerous residents in professional fields relevant to
> Freightway Development such as finance, economics, financial modeling,
> banking, retail, construction, engineering, architecture, real estate,
> municipal finance, taxation, accounting, demographics, transportation,
> and of course law. Why would you not want to benefit from our professional views about the RFPs?
>
> Given how poorly the Ryan reveal was overseen and given that Scarsdale
> village officials and personnel refuse to make it transparent who is
> funding the library, it is imperative that Scarsdale residents be
> allowed to see what developers are offering. We stand to gain or lose
> a lot from what comes out of this process.
>
> Freightway could truly be the crown jewel of Scarsdale. Unfortunately,
> not only is there much opacity surrounding the RFP process, Scarsdale
> Village still does not have either a strategic or long-term financial plan in place.
> Moreover, there was never a thorough survey conducted to see what type
> of residential and commercial facilities residents would like in Freightway.
> The last several years, especially this one, have had record levels of
> retail bankruptcies and loan delinquencies. How is this factored when
> considering Freightway? Unfortunately, you are developing Freightway
> without key critical elements of a solid municipal finance project in place.
>
> Given the numerous macroeconomic and credit signals showing that the
> growth rate of the US, including that of New York State, are slowing
> down, I urge that you develop a long-term financial plan before you
> continue to speed ahead with an opaque Freightway Development process.
> We need Freightway to help the fiscal sustainability of Scarsdale,
> especially in light of the significant unfunded liabilities that
> Scarsdale has and which remain unaddressed.
>
> Regards,
> Mayra
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