

Donna Conkling

From: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com>
Sent: Tuesday, October 15, 2019 2:36 PM
To: Mayor
Cc: Donna Conkling
Subject: RE: Transparency is Needed for Freightway Development (5)

CAUTION: External sender.

Marc,

I thank you for your response. Making information available publicly during SEQRA is too late. Your administration has already approve \$90,000 for consulting services. I am not clear what those funds get taxpayers. The RFP was not an open process; hence you only received 3 responses. That information has not been made public. Why? And you are doing all of this without having a long term financial plan or any strategic plan for downtown revitalization.

Best regards,
Mayra

-----Original Message-----

From: Mayor <mayor@scarsdale.com>
Sent: Tuesday, October 15, 2019 2:29 PM
To: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com>
Cc: 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 (5)

I suggest exercising patience as there will be extensive information that is made public through the thorough SEQRA process. The information you referenced in your last email is not yet available. In fact, it cannot yet be determined as there is no development plan with which to assess.

Also, please keep in mind that the value the Village is able to extract from the Freightway site is, in part, determined by how and when information is made available to the public. The Board shares your goal of maximizing the value we are able to obtain from this important Village asset.

Rest assured that no development will commence until the community has ample opportunity to assess the proposed development plan, including but not limited to the public evaluation of school, parking, traffic and fiscal impacts.

Best,

Marc

Sent from my iPhone

> On Oct 15, 2019, at 1:52 PM, Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com> wrote:
>

> CAUTION: External sender.

>

> Marc,

>

> My questions have not been answered. It is unfortunate that this whole process is so opaque. You leave people no option but to submit FOILs to find out what impact this project will have on our taxes.

>

> Regards,

> Mayra

>

>

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>

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>

> -----Original Message-----

> From: Mayor <mayor@scarsdale.com>

> Sent: Tuesday, October 15, 2019 12:55 PM

> To: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com>

> Cc: Donna Conkling <dconkling@scarsdale.com>; Trustee Ross <ross@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>; Brice Kirkendall-Rodríguez <bricek@yahoo.com>; Steve Pappalardo <spappalardo@scarsdale.com>

> Subject: Re: Transparency is Needed for Freightway Development (5)

>

> Dear Mayra,

>

> Thank you for your email and your continued interest in the Freightway project.

>

> I have responded to most of the Freightway questions via email and via public comments over the past few months. The remainder of the responses to the Freightway questions will be in public comments that are made over the coming weeks.

>

> Best,

>

> Marc

>

>

>> On Oct 15, 2019, at 7:57 AM, Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com> wrote:

>>

>> CAUTION: External sender.

>>

>> Good morning,

>>

>> I hope that you had a good weekend. Kindly let me know when I can receive a response to all the questions that I have posed about Freightway.

>>
>> Best regards,
>> Mayra
>>
>>
>>
>> -----Original Message-----
>> From: Mayor <mayor@scarsdale.com>
>> Sent: Tuesday, October 8, 2019 4:55 PM
>> To: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com>
>> Cc: Steve Pappalardo <spappalardo@scarsdale.com>; Donna Conkling <dconkling@scarsdale.com>; Trustee Ross <ross@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>; Brice Kirkendall-Rodríguez <bricek@yahoo.com>
>> Subject: Re: Transparency is Needed for Freightway Development (4)
>>
>> Mayra,
>>
>> Thank you for your further comments. We will take your additional comments into consideration as well.
>>
>> Best,
>>
>> Marc
>>
>>
>>>> On Oct 7, 2019, at 2:13 PM, Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com> wrote:
>>>>
>>>> CAUTION: External sender.
>>>>
>>>> Thank you for the link, Marc. I will take a look. I look forward to your responses on the questions that I posed in my previous emails. If at all possible, having those responses way in advance of Scarsdale officials and personnel choosing a developer would be very helpful not only to me but to all Scarsdale residents. If it is not possible, kindly let me know when I can receive a response.
>>>>
>>>> In addition to my questions and comments, I know that my husband Brice has shared comments and questions with former mayors Mark and Hochvert as well as with you. I summarize the themes in his comments of the last three years. His biggest fundamental concern is the reluctance to build over the tracks. This would increase the buildable acreage by about 40-50% and relieve the Popham/Garth Road intersection of much of its rush hour congestion. Building over the tracks is also the best way to unify Garth Road with Scarsdale Avenue and the Village Center. There are significant additional costs and time associated with building over the tracks but would it really mitigate the value of the additional real estate yielded? He would argue that the costs are probably six figures, but the value is in the sevens or even eights.
>>>>
>>>> Furthermore, a 50% increase in available land is how we can achieve concessions that are in the community interest.
>>>>
>>>> Another key concern he has is the projected value of the parking garage that would sit under the new building(s). At a minimum of \$50K per space we are paying a lot for 1,000 spaces of parking that may go unused starting in 10 years. What would it become? Would it become an Amazon distribution warehouse and is that what we want? For the sake of parking we may be sacrificing higher long-term value for the square footage. We may also be building something much taller than is needed to accommodate the parking underneath. Should the possible lost value be compared to the cost of developing transportation alternatives that would reduce the *demand* for parking?
>>>>

>>> The key to success for the Freightway project is to concentrate as much benefit as possible to Scarsdale and its immediately-neighboring community. This means limiting the growth of school enrollment to what can be handled with the infrastructure and staff we already have. This means maximizing non-real estate tax revenues such as parking or recreational fees that go directly to the Village. It also means filling gaps in our real estate mix that will stimulate economic activity for all existing and new commercial spaces to improve the property tax value of Scarsdale's small commercial sector. Finally, it means creating new public spaces that add value to nearby residential properties, encourage empty-nesters to stay longer, singles and couples without children to come live and families to find benefits they now have to leave Scarsdale to enjoy.

>>>

>>> Thanks for your time and efforts.

>>>

>>> Regards,

>>> Mayra

>>>

>>>

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>>>

>>>

>>> -----Original Message-----

>>> From: Mayor <mayor@scarsdale.com>

>>> Sent: Monday, October 7, 2019 12:48 PM

>>> To: Mayra Rodriguez Valladares, MRV Associates <mrassoc@yahoo.com>

>>> Cc: Steve Pappalardo <spappalardo@scarsdale.com>; Donna Conkling <dconkling@scarsdale.com>; Trustee Ross <ross@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 (3)

>>>

>>> Mayra,

>>>

>>> Thank you for sharing your additional thoughts.

>>>

>>> One of the universal challenges that local elected officials face is trying to elicit broad-based public input on any given matter. We are comfortable that the visioning study reached a relatively broad segment of the population, certainly more than the Village typically hears from on most issues. We have also seen that additional people have expressed their views over the past year-and-a-half since the issuance of the Visioning Study and we expect that more people will express their opinions as the lengthy and thorough process to review any repurposing of the decaying Freightway Parking Garage continues.

>>>

>>> The established and well-vetted consultants are adding meaningful value to the Freightway review process. You may wish to view the consultants' respective websites to obtain more information:

www.arkf.com<<http://www.arkf.com>> and www.mgslawyers.com<<http://www.mgslawyers.com>>. Please note that Jim Staudt is the primary contact for this matter at McCullogh, Goldberger & Staudt, LLP and that Nina Peek and Peter Feroe are the primary point people for the Freightway project at AKRF.

>>>

>>> We expect to have a public meeting about Freightway next month.

>>>

>>> We look forward to your continued input as the Freightway process continues and we look forward to seeing you at the next Freightway public meeting.

>>>

>>> Best,

>>>

>>> Marc

>>>

>>>

>>>> On Oct 7, 2019, at 10:59 AM, Mayra Rodriguez Valladares, MRV Associates
<mrvassoc@yahoo.com<mailto:mrvassoc@yahoo.com>> wrote:

>>>

>>> CAUTION: External sender.

>>>

>>> You are welcome. I look forward to your responses on my questions in the previous email.

>>>

>>> There are a couple of additional things that perhaps I am not understanding or due to my busy work travel schedule, I might have missed.

>>>

>>> * I reviewed the Visioning Study this weekend. The last administration ran an online survey, which I recall posting a couple of times on various local Facebook sites. I see that it received 474 responses of which 60% were from Scarsdale. This means that only 2% of Scarsdale adults responded to it. Do you consider this statistically significant to inform you of what retail, cultural, sports or residential facilities existing Scarsdale taxpayers want? Of those Scarsdale residents who responded, are they representative of the different Scarsdale neighborhoods and of the different ethnic/racial/age groups represented in Scarsdale? I am aware that you had a couple of events where various residents participated in a live poll. My husband was there, and I participated remotely. Do you happen to know how much overlap there was between those who participated in the online survey and the live poll workshops?

>>>

>>> * Why were only the firms that submitted Expressions of Interest allowed to submit responses to the Request for Proposal? Why would you not want to have had an open process where any qualified developer could submit a proposal?

>>> Developers' financing and labor supply availability change throughout the economic cycle, so it is very possible that those who did not submit Expressions of Interest would have been able to submit a response in August or September to meet the RFP September deadline. If you chose to allow only respondents to the Expression of Interest to submit a response to the RFP as a way to 'protect' their initial investments in the Expression of Interest process, would that not be putting their interests ahead of us the taxpayers? I compete for projects all the time. And if I chose to invest time and money to strengthen my proposal, no one running RFPs has ever put me ahead of the line of other competitors based on the money that I chose voluntarily to invest.

>>>

>>> * Kindly let me know what process you utilized to choose the consulting firm you did. How did you vet the firm? Is the vetting documentation available on the Freightway website part of Scarsdale.com<<http://Scarsdale.com>>? You approved \$50k for its services. What has the firm done for that amount of money to date? Why has another \$40k been approved for the firm? Is it going to keep asking for more taxpayers' funds? Who at Village Hall is monitoring this consulting firm's work?

>>> And as I asked in my previous email? What is their math or financial analysis background? How can we residents verify their quants?

>>> * Is one of the objectives of the Freightway Development to be profitable?

>>> Or just breakeven? Who at Village Hall is running an economic analysis of how this project could impact taxpayers? What safeguards are being put into place so that this project does not raise existing residents' taxes? Has SALT been factored into any financial analysis of this project? Are taxpayers going to be compelled to subsidize new residents in

residential apartments in Freightway? What % of the residential apartments would be for affordable housing as opposed to those which will be full market value rents?

>>>

>>> I look forward to your responses on my questions in the previous and current emails. Thanks in advance for your time.

>>>

>>> Best regards,

>>> Mayra

>>>

>>>

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>>>

>>>

>>> -----Original Message-----

>>> From: Mayor <mayor@scarsdale.com<mailto:mayor@scarsdale.com>>

>>> Sent: Monday, October 7, 2019 10:35 AM

>>> To: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com<mailto:mrvassoc@yahoo.com>>

>>> Cc: Steve Pappalardo <spappalardo@scarsdale.com<mailto:spappalardo@scarsdale.com>>; Donna Conkling <dconkling@scarsdale.com<mailto:dconkling@scarsdale.com>>; Trustee Ross

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<lcrandall@scarsdale.com<mailto:lcrandall@scarsdale.com>>; Trustee Lewis

<jlewis@scarsdale.com<mailto:jlewis@scarsdale.com>>;

>>> Trustee Waldman <rwaldman@scarsdale.com<mailto:rwaldman@scarsdale.com>>

>>> 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<mailto:mrvassoc@yahoo.com>> wrote:

>>>

>>> CAUTION: External sender.

>>>

>>> 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.

>>>

>>> 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.
>>>
>>> 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,
>>>
>>> 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.
>>>
>>> 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?
>>>
>>>
>>> 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<mailto:mayor@scarsdale.com>>

>>> Sent: Wednesday, October 2, 2019 6:42 PM

>>> To: Mayra Rodriguez Valladares, MRV Associates <mrvassoc@yahoo.com<mailto:mrvassoc@yahoo.com>>

>>> Cc: Steve Pappalardo <spappalardo@scarsdale.com<mailto:spappalardo@scarsdale.com>>; Donna Conkling <dconkling@scarsdale.com<mailto:dconkling@scarsdale.com>>; Trustee Ross <ross@scarsdale.com<mailto:ross@scarsdale.com>>; Trustee Veron

<jveron@scarsdale.com<mailto:jveron@scarsdale.com>>; Trustee Arest

<jarest@scarsdale.com<mailto:jarest@scarsdale.com>>;

>>> Trustee Crandall <lcrandall@scarsdale.com<mailto:lcrandall@scarsdale.com>>; Trustee Lewis

<jlewis@scarsdale.com<mailto:jlewis@scarsdale.com>>; Trustee Waldman

<rwaldman@scarsdale.com<mailto: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.

>>>

>>> 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.

>>>

>>> 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.

>>>

>>> Thank you for your continued interest in Village matters.

>>>

>>> Best,

>>>

>>> Marc

>>>

>>>

>>>> On Oct 2, 2019, at 8:53 AM, Mayra Rodriguez Valladares, MRV Associates

<mrvassoc@yahoo.com<mailto:mrvassoc@yahoo.com><mailto:mrvassoc@yahoo.com>> wrote:

>>>

>>> CAUTION: External sender.

>>> Good morning!

>>>

>>> 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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