

February 2021

To Whom It May Concern:

My name is Hilary Chernin and I am not only a County resident, a taxpayer, but the small business owner. My family and I currently hold a License Agreement with the County to operate the new Charley's Pier Restaurant on Playland's boardwalk. Its no secret that the plans for Playland amusement park and the Tiki Bar site face an uncertain future as Westchester County Executive George Latimer's administration pushes to renegotiate the terms of a 2016 contract with Standard Amusements.

Upon the death of the former licensee-operator, John Ambrose, my family and I enthusiastically entered into the RFP bid process to operate the site. Our vision throughout the bid process was to re-brand the restaurant to make it a more family-friendly dining and entertainment experience with a focus on higher quality food and top-notch service, all the while maintaining the fun and peaceful atmosphere of this unique waterfront destination. For those who know and have visited the site, being at the "Tiki Bar" is a mini vacation destination just steps from home.

In addition to the traditional live music offerings, we were committed to put on and sponsor weekly free kid-friendly shows as a nod to the parents in the community, and as a means to give back for the opportunity to do business in such a wonderful town. Had COVID-19 not reared its ugly head, Charley's would have been open for business Summer 2020 and we have no doubt that the Community and all those who visited Playland would have enjoyed the dining and entertainment experience.

Since I was a child, Playland has played an important part in my life. But even before it was my childhood amusement park, it was that of my mother and that of her mother. The Playland Ice Casino was where I learned to figure skate as a child and would watch the New York Rangers practice. I can still remember the sense of local pride and sheer excitement seeing Playland on the big screen in the movie "Big." Now, as an adult, Playland holds an even more special place in my heart, after being able to see and experience the same rides, sights, and attractions through the eyes of my children. My childhood amusement park has now become their childhood amusement park, the beach and boardwalk their happy place where they're free to run, jump, laugh, dig, and take-in the fresh salt air. The simplicity, the consistency, and old-world charm, experienced by generation after generation is what makes Playland the Crown Jeweler of Westchester County.

The RFP Process

In October 2019, Westchester County put out a formal RFP seeking a new operator for the "Tiki Bar" site. The RFP invited experienced restaurateurs and food concessionaires to submit plans on how they'd operate the restaurant and bar, as well as the marina for visitors coming to Playland via the Long Island Sound. In their RFP, the County offered a five-year operating license with an option to extend for an additional five years, at the option of the County. It would require the

operator to pay a designated percentage of gross sales or a minimum guarantee, whichever greater. In Attachment 4 of the RFP, on page 32, the County listed the following “Historical Financial Information” as it pertained to the operation of the site: In 2014, the Licensee fee paid to Westchester County was \$130,452.88; in 2015, the Licensee fee paid to Westchester County was \$189,990.28; in 2016, the Licensee fee paid to Westchester County was \$181,031.62; in 2017, the Licensee fee paid to Westchester County was \$223,548.44; and in 2018 the Licensee fee paid to Westchester County was \$228,848.39.

The RFP required that the winning applicant make mandatory improvements to the facility, more specifically upgrades to the plumbing and electrical systems, renovations to the existing bathrooms and kitchen, power washing and painting of the interior and exterior, and the replacement of damaged wood and patio slate.

In November 2020, I enthusiastically submitted a proposal detailing the following proposed improvements with an overall capital investment of approximately \$600,000, all of which was to be completed prior to the opening of Playland’s 2020 season. The specific proposed improvements are detailed below.

Proposed Improvements

1. Relocate and expand the men’s bathroom and women’s bathroom, and make them handicap compliant under the ADA.
2. Upgrade the sanitary line that runs through the Ice Casino.
3. Install enclosed (fenced-in) Dumpster/Compactor area at the rear of the Park with locking system for safety.
4. Upgrade and renovate the kitchen in accordance with the New York State building code.
5. Upgrade the plumbing and electric to comply with current building codes and Department of Health regulations.
6. Power wash and clean interior of the licensed area.
7. Power wash and paint exterior, scrape and paint soffits and replace any damaged wood and patio slate.
8. Develop and install Family Game Area with oversized lawn games and relaxed seating.
9. Upgrade and renovate the Tiki Bar, including adding a direct draft beer line from the refrigerated walk-in box to the bar
10. Repair existing dock and moorings, and add an additional eight moorings.
11. Remove and replace existing metal gates located at the entrance to the Pier.
12. Convert existing men’s bathroom to Employee’s Only area for storage.
13. Convert existing women’s bathroom to kitchen dishwashing area.
14. Expand children’s menu options.
15. Institute new Closing Hours of 11:00 PM Monday-Wednesday and 12:00 Midnight Thursday-Sunday & Holidays.
16. Purchase new high-end tables and chairs for dining areas.
17. Purchase and utilize heat lamps for use in main patio area.
18. Purchase and utilize ID Scanners at all bars.
19. Permanently eliminate the Ms. Tiki Contest.

20. Host one free family event a month, such as a Bubble Show, Magician, Music Performance, etc.
21. Develop new website that promotes family-oriented atmosphere and highlights dock-and-dine option.
22. Institute new conservative uniform of Khaki Shorts & Polo Shirt.

In terms of a fee proposal, for the first five year, I offered an annual percentage license fee of 9% of the gross sales or an annual minimum guarantee of \$235,000, whichever was greater. After five years, the proposed fee was 10% of the gross sales or an annual minimum guarantee of \$250,000, whichever was greater. Despite our enthusiasm for the project, we were not the only bidders, several others submitted plans with their own vision and numbers for the site, including Standard Amusement. The Tiki Bar site was not part of Standard's 2016 contract with the County.

Standard's RFP proposal for the Tiki Bar at that time included a complete demolition of the site and a license term in excessive of ten years, directly contradictory to 5-year term outlined in the County's RFP. Ultimately, Standard was not selected by the County perhaps because they were already contracted to open **at least six** new restaurants on the boardwalk, fountain plaza and within the amusement park. Selecting Standard for the Tiki Bar site would ultimately given them a complete monopoly over the food services offered at Playland.

Albeit excited to be selected as the new operator, we were disappointed to learn that the County would only offer us a two-year contract due to the ongoing litigation with Standard in Bankruptcy Court. Nevertheless, we accepted the two years, confident in our vision and plan, and willing to rebid in two years. Certainly, after two years of building a following and doing a good job for the residents, visitors of Playland, and the County, we'd have a fair shake at the rebid process. At that point, it was common knowledge that the Tiki Bar site was (intentionally) not incorporated in Standard's 2016 contract, and would go back up for RFP after the expiration of our two-year license agreement. Or so we thought that is, until the County Attorney proposed an amended agreement with Standard to "throwing in" the Tiki Bar in exchange for Standard paying the County an additional \$100,000 a year.

Perhaps most disheartening in this whole situation is the County's lack of transparency in this new amended "deal" and the fact that I, the current license holder, received the news of the change in the newspapers at the same time as everyone else, after already investing over \$99,000 dollars into the site, including the complete renovation of two new state-of-the-art bathrooms and the construction of a family-handicap bathroom (which never existed on-site before). Not to mention the investment made in the purchase of new signage, new indoor and outdoor furniture, lighting fixtures, and kitchen equipment. But even worse than wasted money is the time and effort that has been put into a new venture that now already has an expiration date (with no chance of survival). Adding insult to injury is the fact that, under the amended agreement, Standard has already come out and said that in 2022 it will completely demolish the existing Tiki Bar site and invest 2.5 million dollars into the development of a new all-season restaurant venue.

But is bigger always better? What happened to the simple charm of the old-world boardwalk and pier? And what about those two beautiful trees that have stood unharmed in the middle of the patio for over twenty-five years? The current patio was actually designed and concrete poured around those very two trees but now they too, like Charley's, have an expiration date. What will stand in their place? Due to Standard's vague plan no one knows, but more oddly no one is asking. For only an additional \$100,000, the County has sold out the last free piece of Playland and given Standard carte blanche to demolish the Tiki Bar and build as they see fit. Do the taxpayers and those who know and love the Tiki Bar site have any say in what becomes of their mini vacation destination.

Sentiments aside, how does this amended agreement benefit anyone other than Standard? The County itself in its 2019 RFP listed the license fee paid to Westchester County for operation of the Tiki Bar site at over \$200,000 for a single amusement Season. Unlike the current site, which is only conducive to being open May through September, a year-round restaurant like Standard intends to build and operate is surely worth more than a scanty \$100,000 payment to the County.

That being said, while the County may not be able to undo its original 2016 Agreement with Standard, that sold our local Gem to the mega hedge fund, it can certainly send the message to Standard and the Community at large that we value local, small business, incidentally in my case women-owned. Or, if nothing else, keep Standard honest and the process fair so that future generations of entrepreneurs can fairly and openly bid on the last piece of County owned land that hasn't been sold out from under our noses.

Your time and attention to this matter is greatly appreciated, and I would welcome the opportunity to discuss it further or attend the next virtual next on the Amended Agreement.

Very truly yours,

Hilary K. Chernin

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