

**HONORABLE BOARD OF LEGISLATORS
THE COUNTY OF WESTCHESTER, NEW YORK**

Your Committee is in receipt of a transmittal from the County Executive recommending approval of an Act to amend the current year operating budget (“Budget Amendment”) of the County of Westchester (“County”), as well as adopt a bond act (the “Bond Act”) which was prepared by the law firm of Hawkins, Delafield & Wood LLP, to issue up to Thirty-Six Million (\$36,000,000) Dollars in bonds of the County to fund costs related to the resolution of a dispute entitled *Arbitration between the County of Westchester and Standard Amusements LLC* (hereinafter referred to as the “Arbitration Proceeding”).

As your Honorable Board will recall, on April 12, 2021 the Board of Legislators adopted an Act authorizing the County to enter into a Second Restated and Amended Playland Management Agreement (the “Second Restated Agreement”) with Standard Amusements LLC (“Standard”). The Second Restated Agreement was duly executed on or about July 22, 2021.

On January 21, 2025, the County received a Notice of Termination from Standard effective February 20, 2025, which purports to terminate the Second Restated Agreement. On January 22, 2025 the County sent a response rejecting Standard’s Notice of Termination and reciting a number of breaches on the part of Standard. On January 30, 2025, Standard sent another letter stating, *inter alia*, that its termination notice was valid, that Standard will not manage Playland in 2025, and the County’s breach claims were frivolous. Thereafter on February 4, 2025 the County sent a letter to Standard’s attorneys escalating the dispute to arbitration pursuant to Section 43(ii) of the Second Restated Agreement.

In accordance with the Second Restated Agreement the parties have selected arbitrators and have each submitted documents in support of their claims. The Arbitration Proceeding is anticipated to occur later this year. As part of the resolution of this dispute, the County will be responsible to pay Standard approximately \$36,000,000 dollars (see Section 23B(ii)(a)). Pursuant to Section 23B of the Second Restated Agreement, payments that would be due from the County that are made after 90 days from the

date of termination are subject to interest accruing at eighteen (18%) percent compounding annually.

Your Committee has been advised that if the County makes an advance payment towards the settlement of the dispute in the amount of up to \$36,000,000 before the 90-day mark, then this will prevent interest from accruing on the \$36,000,000 which would save the County a substantial sum of money in the long run.

The Department of Planning has advised that based on its review, the above referenced matter does not meet the definition of an “action” under the State Environmental Quality Review Act (“SEQR”) and its implementing regulations, 6 NYCRR, Part 617. As such, no environmental review is required. Please refer to the memorandum from the Department of Planning dated January 14, 2025, which is on file with the Clerk of the Board of Legislators.

Your Committee has carefully considered the proposed Budget Amendment, as well as the related Bond Act, and recommends approval of both of the proposed Acts, noting that the Bond Act can only be enacted following adoption of the Budget Amendment. It should be further noted that an affirmative vote of a majority of the members of your Honorable Board is required in order to amend the County’s operating budget while an affirmative vote of two-thirds of the members of your Honorable Board is required in order to adopt the Bond Act.

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Budget & Appropriations

Law & Major Contracts

Parks & Environment

Dated: May 5, 2025
White Plains, New York

The following members attended the meeting remotely and approved this item out of Committee with an affirmative vote. Their electronic signature was authorized and is below.

Emiliana May wop

COMMITTEE ON

Law & Major Contracts

FISCAL IMPACT STATEMENT

SUBJECT: 2025 Budget Amendment

☐ NO FISCAL IMPACT PROJECTED

OPERATING BUDGET IMPACT

To Be Completed by Submitting Department and Reviewed by Budget

SECTION A - FUND

☒ GENERAL FUND

☐ AIRPORT FUND

☐ SPECIAL DISTRICTS FUND

SECTION B - EXPENSES AND REVENUES

Total Current Year Expense \$ 36,000,000

Total Current Year Revenue \$ 36,000,000

Source of Funds (check one): ☐ Current Appropriations ☐ Transfer of Existing Appropriations

☒ Additional Appropriations

☐ Other (explain)

Identify Accounts: SEE ATTACHED ACT

Potential Related Operating Budget Expenses: Annual Amount _____

Describe: _____

Potential Related Operating Budget Revenues: Annual Amount _____

Describe: _____

Anticipated Savings to County and/or Impact on Department Operations:

Current Year: _____

Next Four Years: _____

Prepared by: Christina Rampata

Title: Deputy Budget Director

Department: Budget

Date: April 15, 2025

Reviewed By: 

Budget Director

Date: 4/16/25

BE IT ENACTED by the Board of Legislators of the County of Westchester as follows:

SECTION 1. The 2025 County Operating Budget shall be amended as follows:

EXPENDITURES:

Miscellaneous Budget	
Judgement (101-52-1000-4990)	\$36,000,000

TOTAL GENERAL FUND EXPENSE	\$36,000,000
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REVENUES:

Miscellaneous Budget	
Bond Proceeds - (101-52-1000-9632)	\$36,000,000

TOTAL GENERAL FUND REVENUE	\$36,000,000
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SECTION 2. This ACT shall take effect immediately.