

DRAFT - SUBJECT TO REVIEW AND REVISION

**LOWER MANHATTAN DEVELOPMENT CORPORATION**

Meeting of the Directors  
Held at the Offices of the Corporation  
One Liberty Plaza - 20th Floor  
New York, New York 10006

November 13, 2008

**MINUTES**

**In Attendance**

**Directors:**

Avi Schick, Chairman  
Lawrence T. Babbio, Jr. (via telephone)  
Michael A. Balboni (via telephone)  
Robert Douglass  
Robert Harding  
Caswell Holloway  
Thomas Johnson  
Robert Lieber  
Edward J. Malloy (via telephone)  
Julie Menin  
Kevin M. Rampe  
William C. Rudin (via telephone)  
Martha Stark (via telephone)  
Carl Weisbrod

**Staff Attending:**

**For Lower Manhattan Development Corporation:**

David Emil, President  
Irene Chang, General Counsel and Secretary  
of the Corporation  
Daniel Ciniello, Senior Vice President -  
Operation  
Stephen Konopko, Vice President - Internal  
Audit  
Sayar Lonial, Director of Planning and  
Development  
Robert Miller, Chief Financial Officer  
Michael Murphy, Press Secretary  
Angela Rossi, Director of Projects and  
Programs  
Andrew Wu, Deputy General Counsel

Other Staff

**For the Lower Manhattan Construction Command Center:**

Robert Harvey, Acting Executive Director  
Dan McCormack

**For Assembly Speaker Sheldon Silver:**

Judy Rapfogel, Chief of Staff

**Counsel to the Board:**

Caitlin Halligan, Weil, Gotshal & Manges

**For Empire State Development Corporation:**

Shaifali Puri, Senior Advisor to President  
and Chief Operating Officer

**Also Present:**

The Public  
The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 10:15 a.m. It was noted for the record that notice to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

First, Chairman Schick noted that since the Directors had received the resolutions for consideration in advance of today's

meeting, he would not read the entire resolution into the record. Instead, he explained, he will read only the title at the time the resolution comes up for a vote.

Chairman Schick then called for the approval of the Minutes of the September 4, 2008 Directors' Meeting, including the clarification of the Inventus agreement request.

Upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT  
THE SEPTEMBER 4, 2008 MEETING OF THE DIRECTORS OF THE LOWER  
MANHATTAN DEVELOPMENT CORPORATION

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RESOLVED, that the minutes of the meeting of the Corporation held on September 4, 2008, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting, as set forth in such minutes, are hereby in all respects and approved as actions of the Corporation.

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Chairman Schick then reported on the recent activities of the Corporation.

Among other things, Chairman Schick noted that in October, the Port Authority released a revised schedule for rebuilding at the 16 acre site. The impetus for this revised schedule, he

explained, was the analysis done by LMCCC and LMDC in 2007 and 2008 which uncovered some problems. He acknowledged Mr. Harvey for his work in that regard.

Chairman Schick went on to state that LMDC's obligation in connection with the revised schedule is to continue to make progress on the deconstruction of 130 Liberty Street.

The Chairman then spoke at length on the status of the ongoing activities at 130 Liberty noting, in part, LMDC has been meeting with the contractors to reinforce their obligation to meet the various deadlines that will ensure that the redevelopment of that site proceeds on pace.

Next, the Chairman asked Director Babbio to provide the Audit and Finance Report.

Director Babbio then reported that the Committee met last week to review the purpose, cost justification and the availability of funds for the items being presented for consideration today and that the Committee recommends, based on that criteria, that all the requests be considered for approval by the Board.

Next, Director Babbio addressed the funding issues relating to the LMCCC. In that vein, he noted that while the Metropolitan Transportation Authority has taken steps to satisfy its obligations to LMCCC, it has not yet made payment.

Further, Director Babbio noted, following detailed discussion the Committee decided to recommend extending the budget authorization to the LMCCC obligations funded by the MTA through December 31, 2008. If by that time, he continued, the MTA has not met its commitments, the Committee will require that an amended budget and financing plan be implemented that reflects the lack of MTA funding.

Lastly, Director Babbio noted that the Committee met with the internal auditor and noted that there were no items of significant risk to report.

Chairman Schick then asked the Directors to approve the continuing authorization of LMCCC expenditures.

The Chairman called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Continuing Authorization of Lower Manhattan Construction  
Command Center Expenditures

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RESOLVED, that the proper officers of the Corporation are directed to proceed to secure funds from all appropriate funding entities consistent with the approved Lower Manhattan Construction Command Center ("LMCCC") budget for fiscal year 2008-2009 on or before December 31, 2008; and be it

FURTHER RESOLVED, that, notwithstanding anything to the contrary in prior Board resolutions related to the LMCCC budget for fiscal year 2008-2009, LMCCC may continue to make expenditures through December 31, 2008 and to make expenditures starting on January 1, 2009 so long as:

(a) Metropolitan Transportation Authority ("MTA") satisfies in full by December 31, 2008 its commitments to LMCCC for the fiscal year ended March 31, 2008; and

(b) MTA satisfies in full by December 31, 2008 its commitments to LMCCC for the fiscal year ending March 31, 2009; and be it

FURTHER RESOLVED, that, in the event that MTA does not or indicates that it will not satisfy both abovementioned funding commitments by December 31, 2008, the proper officers of the Corporation shall present an alternative financing plan and an amended budget as may be appropriate to the Audit and Finance Committee on or before December 31, 2008; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are authorized and directed to implement and carry out the approved budget for fiscal year 2008-2009 for LMCCC operations and are directed to inform the Board of material variances therefrom.

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Ms. Rossi then presented a request for authorization for LMDC to enter into a subrecipient agreement with Southbridge Towers Adult and Senior Activities Center, Inc. This project, she noted, is one of the slate of 35 projects approved by the

Board to receive support as part of the Community Enhancement Fund Program.

Following Ms. Rossi's full presentation, the Chairman then called for questions or comments with regard to this request.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Community Enhancement Fund Subrecipient Agreement

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RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with Southbridge Towers Adult and Senior Activities Center, Inc. for costs associated with community services in an amount not to exceed \$60,000 as part of the Community Enhancement Fund grants, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds allocated for the Community Enhancement Fund Program in the Final Action Plan; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Next, Ms. Rossi asked the Directors to authorize LMDC to amend its Community Enhancement Fund Subrecipient Agreement with the South Street Seaport Museum.

Following this presentation, the Chairman called for questions or comments. Director Harding asked what the match requirement, if any, was on the part of the Museum. He was informed that there was no match requirement.

There being no further questions or comments, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Community Enhancement Fund  
Subrecipient Agreement with South Street Seaport Museum

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RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with the South Street Seaport Museum to increase the authorized expenditures thereunder by an additional \$1,250,000 to an amount not to exceed \$1,750,000 in the aggregate, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds allocated for the Community Enhancement Fund Program in the Final Action Plan; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Ms. Rossi then asked the Directors to authorize LMDC to amend its agreement with the Municipal Art Society to provide for an additional year's presentation of the Tribute in Light on September 11, 2009.



Following this presentation, the Chairman called for questions or comments. Director Menin noted that she would recuse herself from the vote. She then asked if the Memorial Foundation will work with MAS to find a location for the equipment after 2009.

Chairman Schick noted that he has had discussions with City Hall and everyone agrees that this Tribute should continue. He further noted that the form and financing of the event is something that will be the subject of continuing discussions.

There being no further questions or comments, upon motion duly made and seconded, the following resolution was adopted (It was noted for the record that Director Menin recused herself from voting on the following resolution.):

Authorization to Amend Final Action Plan and Partial Action Plan 8 and to Amend Subrecipient Agreement with Municipal Arts Society

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RESOLVED, that the Corporation is hereby authorized to amend the Final Action Plan and Partial Action Plan 8 (the "Amended Action Plans"), as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to submit for public comment and review by the federal Department of Housing and Urban Development ("HUD") the Amended Action Plans, as may be

required; and be it

FURTHER RESOLVED, that the President of the Corporation is hereby authorized to make such changes to the Amended Action Plans as may be necessary or appropriate to comport with applicable HUD requirements and to reflect any public comments solicited and received on such Amended Action Plans, provided any changes so made shall be consistent with the criteria set forth in such Amended Action Plans; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with Municipal Art Society for the Tribute in Light Program to increase authorized expenditures thereunder by an additional \$145,000 to an amount not to exceed \$3,145,000 in the aggregate and to extend the term of such agreement through October 1, 2009, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be subject to approval by HUD of an amended Partial Action Plan 8 submitted for such purpose and shall be allocated from funds included therein; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Lastly, Ms. Rossi asked the Directors to authorize the Corporation to amend the Final Action Plan and to amend its subrecipient agreement with the Tribeca Film Institute.

Following Ms. Rossi's full presentation, the Chairman called for questions or comments. Director Menin asked if this funding was part of the initial allocation and the Chairman informed her that it was an additional \$100,000.

Director Menin then asked if other cultural institutions will be able to apply for the additional remaining cultural funding and Chairman Schick said that they would be able to do so. The Chairman went on to note that at their last meeting, the Directors voted to create a subcommittee to determine the best way to go forward with the remaining cultural funds.

There being no further questions or comments, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Final Action Plan and to Amend  
Subrecipient Agreement with Tribeca Film Institute

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RESOLVED, that the Corporation is hereby authorized to amend the Final Action Plan to allocate up to \$100,000 of the remaining funds for Community and Cultural Enhancement Funds to Tribeca Film Institute for the 2008 Family Festival; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to submit for public comment and review by the federal Department of Housing and Urban Development ("HUD") an amended Final Action Plan, as may be required; and be it

FURTHER RESOLVED, that the President of the Corporation is hereby authorized to make such changes to the amended Final Action Plan as may be necessary or appropriate to comport with applicable HUD requirements and to reflect any public comments solicited and received on such amended Final Action Plan, provided any changes so made shall be consistent with the criteria set forth in such amended Final Action Plan; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with Tribeca Film Institute to increase the authorized expenditures thereunder by up to \$100,000 in respect of the 2008 Family Festival, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be subject to approval by HUD of an amended Final Action Plan submitted for such purpose and shall be allocated from funds included therein; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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President Emil then asked the Directors to authorize LMDC to amend its agreement with the Battery Park City Authority with regard to the loan of BPCA employee Kevin Finnegan to assist with LMCCC matters.

Following the presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with Battery Park City Authority

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Battery Park City Authority ("BPCA") for the loan of BPCA employee Kevin Finnegan to serve as Acting Senior Project Manager for the Corporation at 130 Liberty Street to increase the authorized expenditures thereunder by up to \$120,000, to an amount not to exceed \$290,000 in the aggregate, and to extend the term of such agreement for an additional one-

year period through December 31, 2009, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in either Partial Action Plan 7 or Partial Action Plan S-2; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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The Directors were then asked by Mr. Emil to authorize LMDC to amend its agreement with Thacher Associates, LLC for integrity monitoring and related services regarding, among other things, the contractors and subcontractors at 130 Liberty Street.

Following this detailed presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with Thacher Associates, LLC

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Thacher Associates, LLC for integrity monitoring and related services at 130 Liberty Street, to increase the authorized expenditures thereunder by up to \$600,000, to an amount not to exceed \$4,600,000 in the aggregate, and to extend the term of such agreement for an additional seven month period through October 31, 2009, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from recovery of funds through pending indemnity and insurance claims, through Partial Action Plan 7 or Partial Action Plan S-2, and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Ms. Chang then asked the Directors to authorize LMDC to amend its agreement with Inventus for document management services in connection with 130 Liberty Street.

Following this detailed presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with Inventus

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Inventus for document copying, imaging, and related services to increase the authorized expenditures thereunder by up to \$120,000, to an amount not to exceed \$720,000 in the aggregate, and to extend the term of such agreement for an additional one-year period through December 31, 2009, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from recovery of funds through pending indemnity and insurance claims, through Partial Action Plan 7, or through Partial Action Plan S-2, as may be appropriate, and any remainder through the Legal Affairs Department budget for

fiscal year 2008-2009 and fiscal year 2009-2010, and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; and be it;

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Next, Ms. Chang asked the Directors to authorize the Corporation to amend its agreement with Dechert LLP for legal advice and services related to 130 Liberty Street.

Following this detailed presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with Dechert LLP

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Dechert LLP for legal advice and services relating to 130 Liberty Street to increase the authorized expenditures thereunder by up to \$900,000, to an amount not to exceed \$6,900,000 in the aggregate, and to extend the term of such agreement for an additional three-month period through March 31, 2009, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from recovery of funds through pending indemnity and insurance claims, through Partial Action Plan 7, or through Partial Action Plan S-2, as may be appropriate, and any remainder through the Legal Affairs Department budget for fiscal year 2008-2009, and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Following the approval of the foregoing resolution, Chairman Schick thanked Director Rampe for his successful efforts in negotiating this amended agreement. Director Rampe then noted that this process provided him with an opportunity to talk with LMDC staff, particularly Ms. Chang, and that in his view, LMDC staff and Dechert have done a tremendous job in representing LMDC's interest in this matter.

Mr. Lonial then asked the Directors to authorize LMDC to enter into agreements with four consultants for urban planning services.

Following Mr. Lonial's detailed presentation, the Chairman called for questions or comments. Director Weisbrod asked if the consultants will be working within the framework of the efforts that are already underway by, for example, the Downtown Alliance. Chairman Schick stated that that would be the case.

Director Menin then suggested that a subcommittee of the



Board be formed to focus on planning issues. Chairman Schick voiced his agreement and stated that those interested in being part of the Committee should speak with him and/or Mr. Emil over the next two weeks.

There being no further questions or comment, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Agreements for Urban Planning Services

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RESOLVED, that the Corporation is hereby authorized to enter into agreements with one or more of (i) Buckhurst Fish & Jacquemart, Inc., dba BJB Planning, (ii) Davis Brody Bond LLP through its design arm Davis Brody Bond Aedas, (iii) Ehrenkrantz, Eckstut & Kuhn Architects, PC and (iv) Gensler Architecture, Design & Planning, P.C., dba Gensler, for urban planning services outside the World Trade Center site as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that such agreement(s) shall be for a two-year period and an aggregate amount not to exceed \$400,000 under all such agreement(s), which shall be allocated from funds included in the appropriate Partial Action Plan or the LMDC operations budget for the appropriate fiscal year; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Next, Ms. Chang asked the Directors to authorize LMDC to enter into agreements for legal services with a pool of firms.

Following Mr. Chang's detailed presentation, Chairman Schick called for questions or comments.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Agreements for Legal Services

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RESOLVED, that the Corporation is hereby authorized to enter into agreements for up to a two-year period with one or more law firms on the Empire State Development Corporation's ("ESDC") Pre-Qualified Counsel List for legal services in the areas of law relating to construction, condemnation, environmental, real estate and land use, bankruptcy, labor, maritime, taxation, related litigation and such other areas as the respective General Counsels of the Corporation and ESDC both deem necessary; and be it

FURTHER RESOLVED, that the amount of the Corporation's expenditures under all such agreements shall not exceed \$1,500,000 in the aggregate through March 31, 2011; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from the appropriate fiscal year budgets for the Legal Affairs Department and/or the appropriate project-related Partial Action Plans; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

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Following approval of the foregoing resolutions, Director Malloy inquired as to the amount of the final budget

for the deconstruction of 130 Liberty Street. The Chairman noted several monetary figures and then stated that LMDC will provide a report on those projections to the Directors within the next few weeks.

Mr. Ciniello then asked the Directors to authorize LMDC to enter into two contracts with regard to the upkeep of LMDC's website and LMCCC's website, respectively.

Following Mr. Ciniello's full presentation, the Chairman called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Agreement for Website Design, Maintenance and Support Services related to [www.renewnyc.com](http://www.renewnyc.com)

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Something Digital for website hosting, maintenance and support services related to the Corporation's website, [www.RenewNYC.com](http://www.RenewNYC.com), which agreement shall be for a two-year period through December 31, 2010 and for an amount not to exceed \$123,000; as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds in the Communications Department budget for fiscal years 2008-2009 and 2009-2010; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to

execute such instruments as may be necessary and appropriate to effect the foregoing.

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Authorization to Enter into Agreement for Website Design, Maintenance and Support Services related to [www.LowerManhattan.info](http://www.LowerManhattan.info)

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with PB Americas, Inc. for website hosting, maintenance and support services related to the LMCCC's website, [www.LowerManhattan.info](http://www.LowerManhattan.info), which agreement shall be for a two-year period ending October 31, 2010 and for an amount not to exceed \$112,000; as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from contributions from The Port Authority of New York and New Jersey, the Metropolitan Transportation Authority, and the New York State Department of Transportation to the Corporation for LMCCC's continuing operations; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action and to execute such instruments as may be necessary and appropriate to effect the foregoing.

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There being no further business, the meeting was adjourned at 10:52 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary