

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

April 17, 2007

MINUTES

In Attendance

Directors:

Kevin Rampe, Chairman
Robert Balachandran
Robert Harding
Thomas Johnson
William C. Rudin
Carl B. Weisbrod
James Whelan
Madelyn Wils

(via telephone)

Amanda Burden
Robert Douglass
Edward J. Malloy
Martha Stark

Staff Attending:

For Lower Manhattan Development Corporation:

Irene Chang, General Counsel and Secretary
of the Corporation
Daniel Ciniello, Senior Vice President -
Operation
Stephen Konopko, Director - Internal Audit
Robert Miller, Chief Financial Officer
Andrew C. Wu, Deputy General Counsel
Other Staff

Counsel to the Board:

Elizabeth Condren, Esq., Fulbright & Jaworski

For Lower Manhattan Construction Command Center:

Charles Maikish, Executive Director
Daniel McCormack, First Deputy Director
Robert Harvey, Deputy Executive Director
for Capital Planning & Construction

For Empire State Development Corporation:

Avi Schick - Downstate President and Chief
Operating Officer Designee

Also Present:

The Public
The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:03 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.

The first order of business was the approval of the Minutes of the February 14, 2007 Directors' Meeting. Before calling for the motion, Chairman Rampe noted a technical correction to the TRC resolution to clarify the reference to the Board authorizing an aggregate amount of \$21,455,721 that applies to all

agreements for environmental testing and consulting services and related expenditures from the firms TRC Engineers, AKRF, Inc. BEM Systems, GZA Geo Environmental, Inc. and LiRo Engineers.

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

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT THE FEBRUARY 14, 2007 MEETING OF THE DIRECTORS OF THE LOWER MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on February 14, 2007, 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.

* * *

The Chairman then asked Director Johnson to provide the Audit and Finance Report. Director Johnson opened the report by stating that the Committee met several times since the last Directors' meeting to review the proposed funding resolutions as well as the real estate transactions being presented for consideration today. Director Johnson further stated that after considering the purpose, the cost justifications and availability of funding for these resolutions, the Committee recommends their approval.

Director Johnson also noted that in accordance with LMDC's Emergency Authorization Procedure, the Committee's Chairman was notified and concurred with several no cost contract amendments that were acted on in March and are being considered for ratification by the Board today.

Continuing with his report, Director Johnson stated that the Committee reviewed and approved the internal audit plan for the new fiscal year. He further noted that the Committee is recommending that Stephen Konopko, who has served as the Director of Internal Audit, be promoted to the office of Vice President of Internal Audit.

Chairman Rampe read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Election of Officer

RESOLVED, that Stephen Konopko is hereby elected Vice President, Internal Audit of the Corporation, and shall serve until such time as his successor is duly elected and qualified or until his earlier resignation or removal.

* * *

Next, Director Johnson explained that the Directors had been provided with a budget variance report for the period ended

March 31, 2007 which is the end of LMDC's fiscal year. LMDC's expenditures, he explained, have been significantly below budget as a result of the organizational changes that were begun last summer. LMDC management, Director Johnson further explained, has requested a continuing resolution authorizing the use of unexpended funds from the budget ended March 31, 2007 to fund operating costs through June 30, 2007, the end of the first quarter of its fiscal year.

Chairman Rampe read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Expend Unused Funds from Fiscal Year 2006-07 Budget

RESOLVED, the Corporation is hereby authorized to expend, in accordance with applicable guidelines and policies of the Corporation, the balance of funds remaining in the Corporation's approved budget for fiscal year ending March 31, 2007 that have not been committed or expended as of such date, as may be required to fund operational expenses and contractual commitments of the Corporation for the period April 1, 2007 through June 30, 2007.

* * *

Director Johnson went on to explain that the Board had been provided with a summary of a budget for the Lower Manhattan Construction Command Center. The Committee, he further

explained, reviewed the detailed budget with LMDC and LMCCC staff and recommends approval of the fiscal year 2007-2008 budget and the updated budget for fiscal year 2006-2007.

Chairman Rampe read the relevant resolution into the record and called for questions or comments upon same.

Director Weisbrod noted that Mr. Maikish would be resigning effective July 2007 and that he wished to extend his appreciation to Mr. Maikish on behalf of the Downtown community for all of his efforts over the past two years.

Further, Director Weisbrod urged the Chair and the Board to strongly consider forming a subcommittee to ensure that the Command Center continues to function at a high level to deal with the challenges that lay ahead over the next several years.

Director Whelan stated that Director Weisbrod's idea of a subcommittee is a welcome one that possibly should be broadened to consider the inclusion of other entities, such as the Downtown Alliance and Community Board #1.

Director Douglass noted that he concurred with Director Weisbrod's remarks as well.

Mr. Maikish stated that it would make a lot of sense for the LMDC Board to be focused on the activities of the Command Center particularly during this transition period as it is critical and essential that the Command Center is fully supported by the constituency in Lower Manhattan.

Director Malloy asked if Mr. Maikish will be involved in the transition and Mr. Maikish responded that he had given three months' notice of his departure so that he could be involved in the transition.

Directors Balachandran, Malloy and Wils then commended Mr. Maikish for his extraordinary and successful efforts on behalf of LMDC and the downtown community.

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

Approval of Lower Manhattan Construction Command Center Budget for Fiscal Year 2007-08 and Updated Budget for Fiscal Year 2006-07

RESOLVED, that the budget for Lower Manhattan Construction Command Center ("LMCCC") operations for fiscal year 2007-08 and

the updated budget for LMCCC operations for fiscal year 2006-07, as presented to this meeting, are hereby adopted; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are authorized and directed to implement and carry out said budgets for LMCCC operations and are directed to inform the Board of material variances therefrom.

* * *

Chairman Rampe then called upon Ms. Chang to present an item regarding the implementation of the General Project Plan for the World Trade Center Memorial and Cultural Programs.

Ms. Chang provided a detailed synopsis of the authorizations being presented for consideration. Among other things, Ms. Chang noted that the actions being considered today will allow for the commencement of the acquisition and disposition of street parcels by LMDC in order to facilitate the exchange of over 40 parcels necessary to construct the street grid and infrastructure described in the General Project Plan, as amended.

Following Ms. Chang's presentation, Chairman Rampe noted that he would read only the heading of the resolutions into the record as the Directors had been provided with the materials and related resolutions prior to the Directors' meeting.

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

Authorizations of Eminent Domain Procedure Law Public Hearing; Acquisition of Real Property from The City of New York; Acquisition of Real Property from The Port Authority of New York and New Jersey; Public Hearings for the Disposition of Real Property as part of a Land Use Improvement Project; Disposition of Real Property, After Consideration of Public Comments by Officers of the Corporation

RESOLVED, that, on the basis of the materials presented to this meeting in connection with the General Project Plan for the World Trade Center Memorial and Cultural Program (the "Project"), copies of which are hereby ordered filed with the records of the Corporation (the "Materials"), the Chairman of the Corporation or his designee is hereby authorized to take any such action as deemed necessary or appropriate in connection with the New York State Eminent Domain Procedure Law (the "EDPL") in furtherance of the acquisition of all or part of the real property referenced as Condemnation Parcels and Tie-Back Parcels in the materials, including, without limitation, the holding of public hearings, the publication of the notices relating to such hearings, and the making of a report or reports to the Board of Directors on comments received during or following such hearings; and be it

FURTHER RESOLVED, that it is necessary and convenient for the Corporation to acquire, for its immediate or future use in furtherance of its corporate purposes, in connection with the Project, all or part of the real property that is referenced as City Deed Parcels, 7 WTC Easements, and PA Deed Parcels in the Materials; and be it

FURTHER RESOLVED, that, at such time or times and upon such terms that the Chairman of the Corporation or his designee deems appropriate, the officers of the Corporation be, and each of them hereby is, authorized to cause the Corporation to acquire all or any part of the City Deed Parcels, the 7 WTC Easements, and the PA Deed Parcels in accordance with the Corporation's

Guidelines for Acquisition and Disposition of Property (the "Guidelines"); and be it

FURTHER RESOLVED, that, on the basis of the Materials, the Chairman of the Corporation or his designee is hereby authorized to take any such action as deemed necessary or appropriate, pursuant to the New York State Urban Development Corporation Act, any other applicable law, and the Guidelines, in connection with the disposition of the City Deed Parcels, the 7 WTC Easements, and the PA Deed Parcels, including, without limitation, the holding of public hearings, the publication of the notices relating to such hearings, and the making of a report or reports to the Board of Directors on comments received during or following such hearings; and be it

FURTHER RESOLVED, that, after consideration by officers of the Corporation of comments received during or following such hearings, the officers of the Corporation be, and each of them hereby is, authorized to cause the Corporation to dispose of all or any part of the City Deed Parcels, the 7 WTC Easements, or the PA Deed Parcels in accordance with the Guidelines, at such time or times and upon the terms described in the Materials, in such notice and at such hearing, and otherwise as the Chairman of the Corporation or his designee deems appropriate; and be it

FURTHER RESOLVED, that the Chairman, Senior Vice President of Operations, General Counsel, and Chief Financial Officer of the Corporation or their designee(s) be, and each of them hereby is, authorized to execute and deliver any and all documents and take all related actions as such officer may in his or her sole discretion consider necessary or appropriate to effectuate the foregoing resolutions.

* * *

Mr. Miller then asked the Directors to authorize LMDC to amend its Subrecipient Agreement with the Alliance for Downtown New York. The amendment, he explained, will allow for the transition of ownership of the World Trade Center kiosk to the Downtown Alliance. Following the presentation of the specifics of this request, the Chairman read the relative resolution into

the record. The Chairman then called for any questions or comments with regard to the request.

Hearing none and, upon motion duly made and seconded, the following resolution was adopted (It was noted for the record that Directors Rudin and Douglass recused themselves from voting with regard to the following resolution.):

Authorization to Amend Subrecipient Agreement with the Alliance for Downtown New York

RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with the Alliance for Downtown New York for staffing services for the World Trade Center kiosk, to transfer ownership of the kiosk to the Alliance, 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 take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

* * *

Lastly, the Chairman asked the Directors to ratify certain specific contract amendments as mentioned previously in Director Johnson's Audit and Budget Report.

Following a brief presentation, the Chairman read the relative resolution into the record and called for questions and/or comments on same.

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

Ratification of Contract Amendments

RESOLVED, that each of the amendments the Corporation entered into with respect to its existing agreements for advertising services (with Miller Advertising Agency, Inc. and New York Press Service, Inc.), business integrity consulting services (with Kroll, Inc.), printing services (with Duggal Visual Solutions, Inc. and Graphic Technology, Inc.) and photocopying and related services (with Corporate Marketing Solutions and A. Esteban & Company, Inc.), as described in the materials presented to this meeting, is hereby ratified and approved in all respects.

* * *

Mr. Schick then noted that this was Kevin Rampe's last LMDC Directors' meeting as its Chairman. He thanked Mr. Rampe for his extraordinary service to LMDC and to New York State during his tenure as Chairman of LMDC.

There being no further business, the meeting was adjourned at 8:28 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary