

LOWER MANHATTAN DEVELOPMENT CORPORATION

Meeting of the Directors

Held at the Alliance for Downtown New York

120 Broadway, Suite 3340

New York, New York 10007

March 19, 2019

MINUTES

**In Attendance
Directors**

Holly Leicht, Chair
Thomas Johnson – via teleconference
Catherine McVay Hughes
Mehul Patel
Carl Rodrigues
Carl Weisbrod
Dominic Williams

Staff Attending:

**For Lower Manhattan Development
Corporation:**

Daniel Ciniello, Acting President
Stephen Konopko, Vice President, Internal Audit
Debbie Royce, Corporate Secretary

For Empire State Development:

Goldie Weixel, Senior Counsel

Also Present:

The Public

The meeting of the Lower Manhattan Development Corporation (“LMDC”) was called to order at 9:10 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 Chair also noted for the record the Corporation's policy which welcomes public comments on the items on the current Agenda.

Before beginning with the substantive portion of the meeting, the Chair asked the Directors whether anyone had any potential conflict of interest with respect to any of the items on the proposed Agenda.

Director McVay-Hughes advised that she would recuse herself regarding the South Street Seaport Museum item on the Agenda.

Noting Director McVay-Hughes' recusal for the record, the Chair moved on to her Report. She called for a motion to approve the Minutes of the Directors' meeting of December 18, 2018. Noting no corrections, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Approval of Minutes

RESOLVED, that the minutes of the meeting of the Corporation held on December 13, 2018, as presented to this meeting, are hereby approved and all actions taken by the Corporation's employees, officers or Directors in furtherance of the matters referred to therein are hereby ratified and approved as actions of the Corporation.

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The Chair then provided the Directors with a brief update regarding the status of Site 5. She advised the Directors that the Port Authority ("PA"), LMDC and the City have executed a

Memorandum of Understanding (“MOU”) in connection with the anticipated Requests for Proposals for Site 5, which is the last major project site to be developed.

The Chair noted that the MOU provides that the RFP would allow for either commercial or mixed-use proposals. She further noted that if a mixed-use proposal is selected, a modification to the GPP would be required.

The Chair explained that LMDC and the PA are doing independent appraisals which are due April 15th and would be exchanged on April 26th. She stated if the appraisals are within 10% of each other, the process will go forward. Otherwise, she noted a third appraisal will be necessary to reconcile the values of the property. She further noted the RFP may be issued in early summer.

The Chair asked if there were any further comments or questions, and hearing none called on Director Carl Weisbrod to report on the Audit and Finance Committee, with no vote required.

Director Weisbrod reported that the Audit and Finance Committee met on March 6, 2019. He noted the Committee reviewed the material that was presented to the Board for consideration and further noted the Committee supports the South Street Seaport Museum funding request and the World Trade Center Street parcel actions, which Goldie Weixel will be presenting later in the meeting.

Director Weisbrod further stated the Committee reviewed the LMDC Budget Variance Report and was pleased to report that LMDC administrative spending for the current fiscal year projects to be more than \$120,000 below the previously approved budget.

Director Weisbrod noted the proposed fiscal year's administrative budget, ending March 2020, is 12% lower than the current budget, and the proposed office budget will yield further significant savings. He mentioned the administrative budget continues to decline and commends the staff for their continued diligence in controlling and reducing administrative costs. He advised the Board to approve the new budget and the office space agreement.

Director Weisbrod further advised that the Committee reviewed and discussed the website service contract and the zero-dollar time extension requests, cost estimating and master site planning services, and stated the Committee supported the approval of these contract amendment requests.

Director Weisbrod then noted the Committee met with the Corporation's Internal Auditor and is pleased to report that no significant irregularities or findings were identified. He commented that LMDC has an exemplary record regarding holding costs down and good management.

The Chair thanked Director Weisbrod and asked if there were any further questions or comments. Hearing none, she called on Daniel Ciniello, Acting President of LMDC, to present

the first item on the Agenda, a request to execute a Settlement Funds subrecipient Agreement with South Street Seaport Museum.

The Chair reminded the Directors that Director McVay-Hughes will abstain from this first item.

Mr. Ciniello reported that \$4.8 million was being requested for the construction portion of the South Street Seaport Museum project. He noted this money was previously allocated as part of the Settlement Funds projects and the South Street Seaport Museum is moving into the design phase with a design completion set for this year, followed by construction. He further noted this authorization will allow the project to move forward after design is approved and environmental testing is completed in compliance with federal regulations.

The Chair asked if there were any further comments or questions, and hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into a Subrecipient Agreement with South Street Seaport Museum for the Settlement Funds Program

RESOLVED, that upon completion of all environmental review, and following HUD's approval of LMDC's request for release of funds and certification, if required, the Corporation is hereby authorized to enter into a subrecipient agreement with South Street Seaport Museum from the slate of the 14 Settlement Funds projects approved by the Board on March 18, 2016, in an amount not to exceed \$4,800,000, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in the Settlement Funds activity in 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; and be it

FURTHER RESOLVED, that all such actions previously taken in furtherance of the foregoing by the Corporation's employees, Officers or Directors are hereby ratified and approved in all respects.

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The Chair then called on LMDC's counsel, Goldie Weixel, to present the next item for consideration, a request to authorize certain property transactions in connection with the General Project Plan for the World Trade Center Memorial and Cultural Program.

Using an overhead map outline of the area in discussion, Ms. Weixel illustrated to the Directors the areas in question and the necessary steps regarding property transfers to conform property ownership with the reconfigured street grids.

Director Weisbrod asked if the property transfers were consistent with the General Project Plan ("GPP"), and Ms. Weixel confirmed that these transfers were anticipated in the GPP and environmental review. She also noted that these transactions will also be publicly noticed and there will be a public hearing as well as review by the PACB. She further noted the condemnations will also come back to the LMDC Board after public comments are received.

Ms. Weixel then continued with her presentation outlining the different parcels in question along with the various easements in question.

Director Weisbrod inquired as to whether there was any possibility, with the disposition of Site 5, that any of the discussed transfers and easements would change and Ms. Weixel said no, the Site 5 transfer will not affect these street transactions.

Director McVay Hughes asked when the hearing would take place. Ms. Weixel explained the notice of the hearing would be published shortly and the hearing would be held 30 days after the publication. She also noted there would be a 30-day public comment period after the public hearing after which the Staff will return to the Board for further authorizations taking into consideration the public comments.

Following the full presentation and discussion on the item, the Chair asked if there were any further comments or questions. Hearing none, 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 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 LMDC

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"), and upon receipt of the executed Notice to Proceed from the Port Authority and the City, the Chair of the Corporation or the Chair's 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 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 the Greek Church Parcel in the Materials; and be it

FURTHER RESOLVED, that, at such time or times and upon such terms that the Chair of the Corporation or the Chair's 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 Greek Church Parcel 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 and the executed Notice to Proceed, the Chair of the Corporation or the Chair's 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

(1) City Southern Site Parcels; (2) Greek Church Parcel; (3) LMDC Southern Site Parcels (including the Albany Street Parcel); (4) Oculus Easement Parcel; and (5) PAC Easement Parcel, 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 (1) City Southern Site Parcels; (2) Greek Church Parcel; (3) LMDC Southern Site Parcels (including the Albany Street Parcel); (4) Oculus Easement Parcel; and (5) PAC Easement Parcel 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 Chair of the Corporation or the Chair's designee deems appropriate; and be it

FURTHER RESOLVED, that the Chair, 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.

Next, the Chair called on Mr. Ciniello to present the next administrative item for consideration, a request to approve the LMDC 2019/2020 Operating Budget.

Mr. Ciniello stated that as mentioned in the Audit and Finance Committee report, LMDC has been operating below budget and stated for the upcoming fiscal year staff is requesting \$1.145 million. He noted that this request is lower than last year's budget and actual spending, with a savings in personnel costs and office space - rent agreement. He noted the \$1.145 million request includes possible equipment expenses with any money saved going back into the projects and programs LMDC is funding.

Direct Weisbrod inquired as to whether the personnel were administering grants, and Mr. Ciniello replied yes and the staff consists of nine members, some on a part-time basis.

Director Weisbrod asked how many grants were still active. Mr. Ciniello explained the number changes daily but there are almost 40 – in the thirties - with other consulting contracts to manage as well. He stated LMDC is hoping to close more activities, as we activate new projects such as South Street Seaport Museum, and he stated that in the near future we will be closing more activities than we actually activate, lessening a need for further staff, with a hope towards finding other opportunities for the current staff.

Director Weisbrod asked other than South Street Seaport Museum, what would trigger a new activity.

Mr. Ciniello explained that as projects are completed without having spent all the budgeted money, LMDC would reallocate that money, with the possibility that the money could go to a new project.

The Chair mentioned Site 5 as an example, and mentioned the City may be requesting funding for a new project.

Mr. Ciniello advised that the focus would be on projects that could be started and completed quickly, or projects currently underway that may need additional funding, using Hudson River Park as an example.

The Chair asked if there were any further comments or questions, and hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Approval of the Lower Manhattan Development Corporation
Budget for Fiscal Year 2019 – 2020

RESOLVED, that the budget of the Corporation for fiscal year 2019-2020 is hereby adopted as presented to this meeting; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are authorized and directed to implement and carry out said budget for the Corporation and are directed to inform the Board of material variances from the budget; and be it

FURTHER RESOLVED, that all such actions previously taken in furtherance of the foregoing by the Corporation's employees, Officers or Directors are hereby ratified and approved in all respects.

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The Chair again called on Mr. Ciniello to continue to the next item for consideration, a request to amend and extend the LMDC Office Space Agreement.

Mr. Ciniello reported that LMDC would remain at its current location while giving up portions of the space to the landlord as staff is being reduced. He stated there would be an annual savings of \$40,000 per year and the space should be sufficient for two years, with a rent under \$9,500 per month.

The Chair asked if there were any further comments or questions, and hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend and Extend Office Space Agreement

RESOLVED, that the Corporation is hereby authorized to amend and extend the agreement with A&N Design Studio, Inc. d/b/a "Door3 Business Applications" (Door3) for use of a portion of its office space located at 22 Cortlandt Street, 11th Floor, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that such amended agreement shall be for a two-year period commencing April 1, 2019 for an amount not to exceed \$230,000 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 the Corporation's Fiscal Year End (FYE) 2019 Administration Budget; 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; and be it

FURTHER RESOLVED, that all such actions previously taken in furtherance of the foregoing by the Corporation's employees, Officers or Directors are hereby ratified and approved in all respects.

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Mr. Ciniello continued to the next item for consideration, request to amend and extend the website services contract with NGenious Solutions Inc.

Mr. Ciniello stated that the website provider provides security for the website and changes to the website when needed in addition to content management and hosting the service while working with the staff as needed. He stated the current website company, NGenious Solutions, Inc., charges \$2,700 a month. He explained the staff is requesting to keep the same website provider as the website needs to be active for the community notifications as well as for the required quarterly reporting for HUD.

The Chair asked if there were any further comments or questions, and hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend and Extend the Agreement for Website Services

RESOLVED, that the Corporation is hereby authorized to amend and extend the agreement for up to a 24-month period through March 31, 2021, with NGenious Solutions LLP for website hosting, maintenance, support and content management services, 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 the appropriate LMDC FYE 2020 and anticipated FYE 2021 Budgets for Planning and Administration; 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; and be it

FURTHER RESOLVED, that all such actions previously taken in furtherance of the foregoing by the Corporation's employees, Officers or Directors are hereby ratified and approved in all respects.

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The Chair again called on Mr. Ciniello to continue to the next item for consideration, a request to extend the services contract with Faithful + Gould, Inc.

Mr. Ciniello reported that the next two items are time extensions only. He noted that LMDC has a contract with Faithful + Gould for cost estimating, scheduling, and serving as consultants. He explained should their services be required in the future, staff would like to call on them for projects LMDC staff may need assistance with and that the contract has no additional funds, with only a requested extension of two years.

Director Rodrigues asked if Faithful + Gould's services were to be used, whether staff would then come back to the Board for further approval. Mr. Ciniello explained the only reason to go back to the Board would be for additional money, and there is no additional money being requested since there is currently a little over \$200,000 allocated for their services.

The Chair asked if there were any further comments or questions, and hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Extend Terms of Agreement with Faithful + Gould for Cost Estimating, Scheduling, Construction Feasibility, and Pre-Construction Services

RESOLVED, that the Corporation is hereby authorized to amend its contract with Faithful + Gould for cost estimating, scheduling, construction feasibility and pre-construction services, by extending the term of such agreement for two-years through March 31, 2021 with no additional funds requested, 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 Partial Action Plans 11 and 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; and be it

FURTHER RESOLVED, that all such actions previously taken in furtherance of the foregoing by the Corporation's employees, Officers or Directors are hereby ratified and approved in all respects.

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The Chair called on Mr. Ciniello to continue to the final item for consideration, a request to extend the Master Site Plan consultant contract with Studio Daniel Libeskind.

Mr. Ciniello reported that LMDC staff is requesting authorization to extend the contract with Studio Daniel Libeskind, with no additional funds being requested. He noted that LMDC may need the assistance of the Master Site planner in relation to the GPP or related World Trade Center Site project. He advised there is currently over \$600,000 previously allocated in this contract available for use. He stated LMDC will amend the contract and reduce the available balance to the amount needed for the services requested.

The Chair asked if there were any further comments or questions, and hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Extend Terms of Agreement with Studio Daniel Libeskind

RESOLVED, that the Corporation is hereby authorized to amend its contract with Studio Daniel Libeskind for planning services relating to the World Trade Center Memorial and Redevelopment Plan by extending the term of such agreement for two years through April 30, 2021 with no additional funds requested, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated through from funds included in 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; and be it

FURTHER RESOLVED, that all such actions previously taken in furtherance of the foregoing by the Corporation's employees, Officers or Directors are hereby ratified and approved in all respects.

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There being no further business, the meeting was adjourned at 9:30 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary