

**LOWER MANHATTAN DEVELOPMENT CORPORATION**

Meeting of the Directors

Conducted Via Teleconference

July 19, 2022

**MINUTES**

**In Attendance**

**Directors:**

Holly Leicht, Chair  
Catherine McVay Hughes  
Thomas Johnson  
Joshua Kraus  
Mehul Patel  
Carl Rodrigues  
Carl Weisbrod

**Staff Attending:**

**For Lower Manhattan Development Corporation**

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

**For Empire State Development**

Matthew Acocella, Associate Counsel  
Tobi Jaiyesimi, Assistant Vice President – Real Estate and  
Community Relations

The meeting of the Directors of Lower Manhattan Development Corporation (“LMDC”) was called to order at 3:30 p.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 noted for the record that due to the public health concerns and in accordance with current legislation, the meeting would be conducted by teleconference. The Chair also noted for the record that the public was given the opportunity to comment on Agenda items by

submitting written comments on or before 4:00 p.m. Monday, July 18, 2022 to [publiccomment@renewnyc.com](mailto:publiccomment@renewnyc.com) and noted that eight (8) comments were received.

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

Director Weisbrod stated that he would recuse himself from the World Trade Center Site 5 Agenda item.

Hearing no additional conflicts, the Chair called for a motion to approve the Minutes of the Directors' meeting of April 20, 2022. 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 April 20, 2022, 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.

\* \* \*

The Chair then called on Daniel Ciniello, LMDC's President, to present the Administrative item on the Agenda.

Mr. Ciniello presented a request to ratify an emergency action taken by staff and approved by the Chair to increase the contract amount for The Alliance for Downtown New York (the "Alliance") by \$29,000 to a total of \$113,000 in order to cover the costs of the ongoing Albany Street temporary plaza maintenance and continued operating costs. He noted that the funds already exist in the 130 Liberty Street Activity in Partial Action Plan S2, so there is no reallocation of funds involved. He further noted that the Alliance has been maintaining the site since 2014 and it has been doing a tremendous job, and since the site is still available for use pending the World Trade Center Site 5 approvals, LMDC will continue to keep the plaza open for the time being with the Alliance's assistance.

Hearing no response to a call for questions or comments from the Directors and, upon motion duly made and seconded, the following Resolution was unanimously adopted:

#### Ratification of The Alliance for Downtown New York Contract Amendment

---

RESOLVED, that the Corporation is hereby authorized to amend the agreement with The Alliance for Downtown New York for Albany Street Temporary Plaza maintenance and other costs, to increase the contract value by \$29,000, to a total of \$113,000, 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 130 Liberty Street activity in 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.

\* \* \*

After excusing Director Weisbrod for discussion of the next item, the Chair then called on Tobi Jaiyesimi, ESD Assistant Vice President – Real Estate and Community Relations and Project Manager for World Trade Center Site 5 development project, to present the related Agenda items.

Ms. Jaiyesimi explained that the Directors were being asked to take actions related to the commencement of the public review process for the World Trade Center Site 5 development project, including (1) further modification to the General Project Plan for zoning overrides needed for the building described in the proposed draft mixed-use design guidelines, (2) granting a permanent easement on Site 5 to the Port Authority for existing infrastructure that supports the WTC Vehicle Screening Center and Liberty Park; (3) authorization to transfer title to Empire State Development (“ESD”), which would hold title during the term of the proposed long-term ground lease to the conditionally-designated developer; (4) consideration of the proposed terms of an initial agreement with the project sponsors and the conditionally-designated developer, along with other proposed project documents, and (5) to provide authorization to hold the required public hearing.

Upon resuming the call after the connection was lost with Ms. Jaiyesimi, she repeated her prior remarks, and then provided background information on the history of the World Trade Center Site 5 project. She noted that the General Project Plan under consideration today was originally adopted by LMDC in 2004 to provide for memorial and cultural uses, as well as commercial redevelopment of the World Trade Center following the September 11, 2001 attack.

Ms. Jaiyesimi explained that the plan provided for five commercial towers, public open space, and a performing arts center surrounding the memorial and memorial museum. She noted the 2004 General Project Plan permitted commercial and/or a hotel use on Site 5, which is the southernmost site of the WTC campus and the location of the former Deutsche Bank Building. She further noted that LMDC used U.S. Department of Housing and Urban Development (“HUD”) funds to acquire, remediate, and clear Site 5.

Ms. Jaiyesimi advised that in 2006, the Port Authority of New York and New Jersey (“Port Authority”) and LMDC entered into a memorandum of understanding by which LMDC would swap 130 and 140 Liberty Street, including Site 5, with the Port Authority for property the Port Authority owns at the center of the campus to enable the 9/11 memorial and museum, as well as the Performing Arts Center to be built within and proximate to the footprints of the former Twin Towers.

Ms. Jaiyesimi noted that in response to Manhattan Community Board 1 input, LMDC began discussions with the Port Authority about the possibility of allowing residential development at Site 5 and that LMDC and the Port Authority entered into an additional memorandum of understanding to jointly issue a Request for Proposals (“RFP”) for Site 5 that would allow for as-of-right commercial development or mixed-use development, including a requirement for an affordable housing component, which would require modifications to the General Project Plan.

Ms. Jaiyesimi explained that in early 2021, after a competitive RFP process, a development team consisting of Silverstein Properties, Brookfield Properties, Dabar Development Partners, and Omni New York was conditionally designated for a mixed-use project on Site 5. She noted that in the 16 months since the conditional designation had occurred, a Community Advisory Committee was established and ESD and LMDC staffs have made presentations to Community Board 1 and have met with stakeholders including the City, the 100% affordable housing coalition, and local elected officials

Ms. Jaiyesimi further explained that in November 2021 the Directors considered the proposed General Project Plan modifications that provided an option to build a mixed-use building with residential that included affordable housing, and the related environmental assessment. She added that, after the public hearing was held in January 2022 and the public comment period closed in mid-February, the Directors approved in April 2022 the modifications to the General Project Plan.

Ms. Jaiyesimi explained that the actions before the Directors today relate to the start of the public review process for the real estate transactions and zoning override for the proposed project, and that no final determinations were being made by the LMDC Directors at this time. She noted that if the proposed project and the real estate transactions are approved after the public review process, that LMDC would transfer the site to ESD and grant easements to the Port Authority, and that ESD would then enter into a long-term 99-year lease with the conditionally-designated developer. She then provided the financial details of the real estate transactions as detailed in the materials before the Directors.

Ms. Jaiyesimi stated that the proposed project is a development of office space, retail, a community facility, connection to Liberty Park, and approximately 1,200 residential units, of which at least a minimum of 25 percent, or approximately 300 units, will be permanently affordable units, leased to households making at or below an average of 50 percent of area median income (“AMI”). She further noted that the affordable housing requirements would be governed by a regulatory agreement to be administered by New York State’s affordable housing agency, Homes and Community Renewal.

Ms. Jaiyesimi advised that there has been significant public discussion about and attention to the project’s affordability requirements, and that community representatives and elected officials have called for increased affordable housing, including some demands that the project be 100% affordable. She reiterated that today’s action is the start of the process for the proposed project, which provides for a minimum of 25 percent affordable units, but does not preclude increasing the affordability threshold for the project. She stated that the project team has shared with elected officials and community representatives the valuation of the site, which is \$249 million, the total development costs of approximately \$1.2 billion, and the cash subsidy needed to increase affordable housing at the project, which ranges from approximately \$415 million for an increase to 40% affordable, to over \$900 million for a 100% affordable tower.

Ms. Jaiyesimi stated that the project team remains committed to continue public engagement throughout this process, including discussions with the City, the Community Advisory Committee, Community Board 1, local elected officials, the 100% Affordable WTC Site 5 Coalition, and other stakeholders.

Ms. Jaiyesimi noted that several comments and questions were received relating to how the initial agreement is described in the materials, and that as a result staff would modify the Resolutions to further clarify that this is the beginning of the public review process, and that none of the documents described will be executed without final approval from the Directors, and that the materials would be updated for the Corporate Record to reflect this modified Resolution.

Ms. Jaiyesimi reiterated that the Directors were being asked to authorize a public hearing and comment period to allow members of the public to make comments on the proposed project, to comment on the proposed amendments to the General Project Plan modifications, to comment on the proposed disposition of property, and to respond to the materials that have been presented as part of this meeting. She noted that the documents described in the materials cannot be executed until final approval from the Directors, following the required public hearing and comment period.

Ms. Jaiyesimi explained that the public hearing is expected to be held in fall 2022, and the public hearing notice will be issued in the newspaper, posted on LMDC's website, and distributed to the Community Board, other stakeholders and elected officials. She then concluded her remarks and asked whether the Directors had any questions.



The Chair asked how many days in advance of the hearing must the required notice be posted, and for how long afterwards would the comment period be open. Ms. Jaiyesimi responded that the notice must be published at least 30 days before the hearing, and that the comment period would be open for 30 additional days after the public hearing.

The Chair then noted that the Directors had received copies of the ten comments, not eight as previously stated, and that all comments were posted and shared with the Directors in advance of the meeting. The Chair then asked if the Directors had any further questions.

Director Glen asked what the expectations were for when the LMDC Directors would be reconvening to review the final deal. Ms. Jaiyesimi responded that, in light of the anticipated public hearing in the fall, she expected that this matter would not be brought before the Directors again until the end of 2022 at the earliest.

Director Glen then asked that, to the extent that there are changes contemplated as a result of the comments, that the appropriate LMDC Directors' subcommittee and the Directors in general will have time to discuss and review. Ms. Jaiyesimi answered that the Directors would be given time to review and consider any further changes to the project. She noted that another time constraint was that HUD is seeking to wind down LMDC operations in 2023 and that this Site 5 transaction must occur before that time.

The Chair noted that some of the comments received dealt with the language of the initial agreement, but the majority of the rest of the comments were a request to have LMDC consider a study that is being done by the 100% Affordable Coalition. Ms. Jaiyesimi responded that staff has been in touch with the Coalition and met with them numerous times, and that the study would be received and reviewed as part of the public comment period.

The Chair reiterated that there would be plenty of time for consideration of the study and that it should come in imminently, and that this is the start of the process and that there would be multiple opportunities for more public engagement, starting with the public hearing and with the public comment period thereafter.

Hearing no other questions or comments from the Directors, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Adoption of Amendment to Modified General Project Plan; Override of Local Zoning Regulations; Adoption of Essential Terms of VSC Easement, Deed and Project Documents; Authorization to Hold Public Hearing(s); Authorization to Dispose of Real Property in accordance with the Applicable Provisions of the Urban Development Corporation Act and Public Authorities Law; and Authorization to Take Related Actions

---

RESOLVED, that, on the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation relating to the World Trade Center Memorial and Cultural Program Land Use Improvement and Civic Project (the "MGPP"), the Corporation does hereby affirm the findings previously made by the Corporation in connection with the MGPP as required by Section 10(c)(1), (2) and (3) of the New York State Urban Development Corporation Act (the "Act"); and be it

RESOLVED, that, on the basis of the Materials, after full consideration of the matters set forth or referred to therein, the Corporation hereby affirms the findings previously made by the Corporation in connection with the MGPP as required by Sections 10(d)(1), (2), (3) and (4) of the Act; and be it

RESOLVED, that, on the basis of the Materials, after full consideration of the matters set forth or referred to therein, the Corporation hereby affirms the finding previously made by the Corporation in connection with the MGPP that the requirements of Section 10(g) of the Act are satisfied; and be it

RESOLVED, subject to Section 16 of the Act, the Corporation does hereby adopt the Proposed Amendment to MGPP as presented to this meeting, together with such changes therein as any officer of the Corporation may deem appropriate, in such officer's sole discretion, a copy of which Proposed Amendment to MGPP, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that, on the basis of the Materials, the Corporation hereby finds, pursuant to Section 16(3) of the Act, that it is not feasible or practicable for the Proposed Project described in the Materials to comply with all local zoning regulations and, accordingly, the Corporation hereby overrides the local zoning regulations as and to the extent described in the Proposed Amendment to MGPP for the specified purposes of the Proposed Project; and be it further

RESOLVED, that the officers of the Corporation or any such officer's designee, acting singly, be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions necessary or proper, in their respective sole discretion, to comply with the requirements of the Act in connection with the adoption of the Proposed Amendment to MGPP; and be it further

RESOLVED, that the Proposed Amendment to MGPP shall not be final until action is taken by the Corporation and by the Directors of the New York State Urban Development Corporation d/b/a Empire State Development ("ESD") as provided in the Act and until such time as all requirements of the Act and other applicable law in connection therewith have been satisfied; and be it further

RESOLVED, that, on the basis of the Materials, the Corporation hereby finds that there is no reasonable alternative to the proposed below-market dispositions of the Development Site described in the Materials that would achieve the same purpose of such dispositions; and be it

RESOLVED, that on the basis of the Materials and subject to Section 6 of the Act, the Corporation does hereby adopt the essential terms of the VSC Easement, Deed, and other Project Documents described in the Materials, together with such changes therein as any officer of the Corporation may deem appropriate, in such officer's sole discretion, and hereby finds that the same are in conformity with the MGPP, as amended; and be it further

RESOLVED, that the officers of the Corporation or any such officer's designee, acting singly, be, and each of them hereby is, authorized in the name and on behalf of the Corporation to hold public hearings on the Proposed Amendment to MGPP and the proposed disposition of property pursuant to the VSC Easement and Deed and the transactions contemplated thereby in accordance with the requirements of the Act; and be it further

RESOLVED, that the Chair and President of the Corporation or their respective designee(s), acting singly, be, and each of them hereby is, authorized and directed in the name and on behalf of the Corporation to execute and deliver any and all documents and to take any and all actions necessary or proper, in their respective sole discretion, as may be necessary or appropriate to effectuate the foregoing resolutions.

\* \* \*

There being no further business, the meeting was adjourned at 3:55 p.m.

Respectfully submitted,

Debbie Royce  
Corporate Secretary