

**LOWER MANHATTAN DEVELOPMENT CORPORATION**

Meeting of the Directors  
 Alliance for Downtown New York  
 120 Broadway, Suite 3340  
 New York, New York 10007

December 13, 2018

**MINUTES****In Attendance****Directors:**

Holly Leicht, Chair  
 Alicia Glen  
 Catherine McVay-Hughes  
 Mehul Patel  
 Carl Rodrigues  
 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  
 Laura Rogers, Senior Counsel

**Also Present:****Ronald O. Perelman Performing Arts Center**

Maggie Boepple, President  
 David Langford, COO  
 Bill Rauch, Artistic Director, PAC

Frank Sciamè, Sciamè Development

Madelyn Wils, President & CEO – Hudson River Park Trust

The Public

The meeting of the Lower Manhattan Development Corporation (“LMDC”) was called to order at 9:07 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.

Hearing none, the Chair called for a motion to approve the Minutes of the Directors' meeting of October 3, 2018. Noting no corrections and upon motion duly made and seconded, the following resolution was unanimously adopted:

#### Approval of Minutes

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RESOLVED, that the minutes of the meeting of the Corporation held on October 3, 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 commented that at the last Board meeting, the World Trade Center Performing Arts Center (the "PAC") was designated as the recipient of a \$400,000 charitable

contribution from Lendlease (US) Construction LMB Inc. She noted that on October 26, 2018, the World Trade Center Performing Arts Center received this donation.

The Chair called on Director McVay-Hughes to provide the Audit and Finance Committee Report.

Director McVay-Hughes stated that the Audit and Finance Committee met on December 4, 2018 and reviewed the material that was presented for consideration today. She noted the Committee supports the \$89M for the PAC funding authorization request. She further noted the Committee reviewed the cost justification and availability of funding for the proposed resolutions and is recommending that they be approved by the Board as a whole. She advised the Corporation continues to operate within their approved administrative budget.

Lastly, Director McVay-Hughes noted the Committee met with the Corporation's Internal Auditor and is pleased to report that no significant irregularities or findings were identified.

The Chair thanked Director McVay-Hughes and asked if there were any further questions or comments. Hearing none, she moved on to the next item on the Agenda, a project update on the PAC.

The Chair welcomed staff from the PAC and introduced Maggie Boepple, President and Director of the Perelman Center for the Performing Arts, to provide the update.

Ms. Boepple thanked the Chair and introduced members of the PAC team present at the meeting. She gave a PowerPoint presentation which provided a brief background of the PAC and its anticipated programming. She also identified and provided background on each member of the Artistic Advisory Board.

She described how the PAC, also known as the “Perelman”, would be much more than a place to experience performance. She explained that its mission will include serving people who live and work in Lower Manhattan. She further explained that it will be a place where the community can come together for educational programming, lunchtime concerts and performances of original works and that the programming will be varied and will include programs for toddlers, school aged children and adults. She noted the Perelman will use technology to connect with the local and international community to bring people together and encourage inclusivity.

Ms. Boepple described a center that would be openly and actively engaged for the neighborhood from sunrise to late at night, stating that it would be alive all day with people able to grab coffee, study, encounter other artists, have a drink or a snack before a performance or dinner after. She advised there will be early shows for junior high students, as well as later shows for high school students. She also mentioned that the Board of Elections

could utilize the space for elections. She stated that they would be breaking ground in the spring.

Ms. Boepple thanked the LMDC Board, HUD and LMDC staff and went on to read a quote from John Whitehead, LMDC's founding Chair, on the original PAC brochure. She then introduced the PAC's Artistic Director, Bill Rauch.

Mr. Rauch introduced himself, spoke of his family's intention of becoming lower Manhattan residents, and outlined his early 20 years as a co-founder of Cornerstone Theater Company which produced plays on Greek tragedies as well as a biracial production of Romeo and Juliet. He then described his last 12 years of artistic projects with the Oregon Shakespeare Festival located in southern Oregon, and finally leading up to his involvement with the PAC.

He noted that he envisions that the Perelman will be filled with energy from prestigious international artists but will also be a home for low-income communities and will bring a new level of equity and trade of cultures to the World Trade Center. He then asked if anyone had any questions for him or Ms. Boepple.

The Chair commented that she challenged Ms. Boepple and David Langford to see why this project would matter to a school kid from Brownsville. After spending time with them and hearing about Mr. Rauch, she is really excited about the potential for the PAC and what it will bring to New York and Lower Manhattan.

Director McVay-Hughes stated that it was important to include the diversity of the City, for kids of all ages. She also noted that the PAC is a key component of the whole master plan at the WTC and the community has been supportive.

Attending in the audience, Frank Sciame indicated he would like to provide a comment. He mentioned that in 2006 the Governor and Mayor both asked him to align the PAC budget with the design for the 9/11 Memorial and Museum. He stated while researching the project he met with Mr. Whitehead. Mr. Sciame stated Mr. Whitehead was light years ahead of everyone else when he told Mr. Sciame not to remove the PAC from the design because without the PAC and without culture at Ground Zero, it will fail as will lower Manhattan. Mr. Sciame stated that this resonated with him. He further stated he was delighted to build it and that it is going to be a great building.

The Chair commented she was looking forward to the next update and breaking ground. She then called on LMDC Acting President Daniel Ciniello to present the next two voting items on the Agenda for consideration.

Mr. Ciniello reported that LMDC staff is requesting Board approval to increase the Performing Arts contract by \$89 million for costs associated with building the PAC. He noted the \$89 million represents the remaining funds available and previously approved by the Board. He explained that below grade work is wrapping up and above grade design is nearing

completion and further noted that above-grade construction is expected to begin in April. He advised the deposits for steel and stone will need to be made prior to above-grade construction and that staff plans to add the \$89 million, if approved, through two separate amendments.

Mr. Ciniello further explained the initial amendment will add \$20 million and will be executed within the next month to provide the cash needed for steel and stone and other material deposits. He noted the rest of the funding will be added to the contract as construction moves further along. He mentioned that LMDC funding will be matched at least dollar for dollar with PAC funding and at no point will the amount LMDC pays exceed the non-LMDC funding for the project.

The Chair asked if there were any further questions or comments. Hearing none, the Chair called for a motion to approve, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend the Subrecipient Agreement with the World Trade Center Performing Arts Center for Construction

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RESOLVED, that the Corporation is hereby authorized to amend the subrecipient agreement with the World Trade Center Performing Arts Center, Inc. for the World Trade Center Performing Arts Center (PAC) Project, by increasing the contract value \$89,000,000 to an amount not to exceed \$148,570,000, 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 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 once again called on Mr. Ciniello to continue to the next item for consideration.

Mr. Ciniello reported that LMDC staff is requesting authorization to amend two action plans enabling LMDC to shift funds to the Hudson River Park project which is experiencing an increase in their project budget. He advised that bids came back higher than anticipated, raising the overall project cost to \$35.2 million. He stated funding has also been provided by Citigroup and the City of New York in the amount of \$10 million each. He explained the additional LMDC funds would increase the contract by \$5.2 million to \$15.2 million and. noted this additional funding should cover the higher than anticipated construction costs and also increase funds available for project contingencies.

Mr. Ciniello stated staff proposes to get the \$5.2 million from two sources: Partial Action Plan S-2 and the Final Action Plan, wherein a new activity will need to be created since LMDC is not allowed to shift funds from one grant to another.



Mr. Ciniello further explained that \$2.5 million will come from the litigation settlement funds in PAP S-2, and noted that there is \$2.8 million currently available to be reallocated in the Final Action Plan from which \$2.7 million will be reallocated to Hudson River Park with approximately \$100,000 moving to the existing Parks and Open Spaces activity to cover environmental and legal costs. He further noted that if approved, partial action plan amendments will be created by staff and made available to the public for a 30-day comment period. He advised that LMDC will consider those comments, finalize the Action Plan amendments, and then submit them to HUD for their final review and approval.

The Chair noted that Madelyn Wils, President of Hudson River Park Trust, was present in the audience. She then asked if there were any other questions or comments.

Director McVay-Hughes noted that the community was supportive of the Hudson River Park Trust and during 9/11 and the recovering period the barges were posted in the immediate area, so it's a special location for the community and it will be nice to see the last piece completed.

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 Partial Action Plan S-2 and the Final Action Plan; and  
Authorization to Amend the Subrecipient Agreement with Hudson River Park Trust

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RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plan S-2 by reducing the Partial Action Plan S-2 allocation for the 130 Liberty Deconstruction by \$2,500,000 to \$17,425,000, and increasing the Hudson River Park Trust activity by \$2,500,000 to \$12,500,000, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend the Final Action Plan by reducing the Community & Cultural Enhancement Fund allocation by \$2,807,479 to \$52,389,481, creating a new Hudson River Park activity, in the amount of \$2,700,000, and increasing the Neighborhood Parks and Open Spaces allocation by \$107,479 to \$235,045, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with Hudson River Park Trust by adding \$5,200,000 in funds, 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 Acting President of the Corporation or his designee shall be 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 thereon; 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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Madelyn Wils thanked the Board and commented that the bio huts were being installed, and the upland site construction is expected to begin in March.

The Chair moved on to the next and final action, a request to elect Debbie Royce as Secretary of the Board.

The Chair thanked Ms. Royce and noted she has been Acting Secretary for LMDC for several years as well as Secretary to other subsidiaries, and has done a great job and mentioned the Board would now like to make it official by electing her to be appointed as LMDC's Secretary.

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

#### Election of Officer

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RESOLVED, that the following person is elected to the offices of the Corporation set forth opposite each of their respective name, to serve until their respective successor is duly elected and qualified or until their earlier resignation or removal:

Debbie Royce

Secretary of the Board

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There being no further business, the Chair wished everyone a happy holiday and the meeting was adjourned at 9:36 a.m.

Respectfully submitted,

Debbie Royce  
Secretary