

LOWER MANHATTAN DEVELOPMENT CORPORATION

Meeting of the Directors

Held at the Offices of Empire State Development
655 Third Avenue, 4th Floor
New York, New York 10017

April 9, 2025

MINUTES

In Attendance

Directors:

Holly Leicht, Chair
Alicia Glen
Catherine McVay Hughes
Joshua Kraus
Mehul Patel
Carl Rodrigues

Staff Attending:

For Lower Manhattan Development Corporation

Debbie Royce, Corporate Secretary
Stephen Konopko, Vice President, Internal Audit
Arden Sokolow, President

For Empire State Development

Matthew Acocella, Associate Counsel

The meeting of the Directors of Lower Manhattan Development Corporation (“LMDC”) was called to order at 4:33 p.m. by Chair Leicht. The Chair noted that the meeting was being held at the offices of Empire State Development (“ESD”), LMDC’s parent corporation.

Before proceeding to the substantive agenda, Chair Leicht provided the Directors with several updates regarding board and staff changes since the last meeting. The Chair noted that

two longtime Directors, Tom Johnson and Carl Weisbrod — both of whom had served since LMDC’s inception — submitted their resignations from the Board in July 2024. The Chair expressed gratitude on behalf of the full Board for their many years of dedicated service and their stewardship of LMDC’s mission to rebuild Lower Manhattan following the September 11th attacks.

The Chair also noted that LMDC’s longtime President, Daniel Ciniello, retired in June 2024 after more than 22 years of service. The Chair recounted President Ciniello’s extensive contributions to LMDC, including administering over \$2.7 billion in funds; supporting the planning and redevelopment of the World Trade Center site, including the national September 11 Memorial and Museum; providing assistance to residents and businesses affected by the attacks; rebuilding infrastructure and transportation resources; supporting construction of the Pearlman Performing Arts Center; renovating open spaces, parks, and playgrounds; developing enhanced waterfronts, including Pier 42; preserving and renovating affordable housing; and overseeing dozens of grants to community and cultural organizations in Lower Manhattan. The Chair thanked President Ciniello for his service and wished him well in his next chapter.

The Chair noted that, consistent with the policy of LMDC’s parent corporation, public comments were welcome on the items considered on today’s agenda. The Chair stated for the record that no members of the public were in attendance. The Chair also noted that the public was given the opportunity to submit written comments on or before 3:00 p.m. on April 8, 2025

to publiccomment@renewnyc.com, and that no written comments were received regarding today's agenda items.

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 today's agenda. The Chair noted that Director Catherine McVay Hughes would recuse herself from the vote on the May 16, 2023 minutes, as she had not been present at that meeting.

The Chair called for a motion to approve the Minutes of the May 16, 2023 Directors' meeting. Director Catherine McVay Hughes recused herself from this vote. Upon motion duly made and seconded, the following Resolution was unanimously:

APPROVAL OF MINUTES OF MAY 16, 2023

RESOLVED, that the minutes of the meeting of the Corporation held on May 16, 2023, 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 called for a motion to approve the Minutes of the March 11, 2024 Directors' meeting. Upon motion duly made and seconded, the following Resolution was unanimously adopted:

APPROVAL OF MINUTES OF MARCH 11, 2024

RESOLVED, that the minutes of the meeting of the Corporation held on March 11, 2024, 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 called on Matthew Acocella, Associate Counsel at ESD and LMDC, to present the first authorization item on the agenda: a request to create new LMDC officer positions and to elect officers.

Mr. Acocella explained that, following President Ciniello's retirement, the Board was being asked to appoint Arden Sokolow, ESD's Executive Vice President for Real Estate and Planning, as LMDC's new President. He further explained that it was proposed to make the President position, as well as other officer positions, *ex officio* positions corresponding to certain ESD staff positions — consistent with how many other ESD subsidiaries operate — in order to create efficiencies and ensure sufficient officers and staff for LMDC's ongoing needs.

Specifically, Mr. Acocella advised that the proposed changes were as follows: (1) Arden Sokolow, and any future holder of the position of ESD Executive Vice President for Real Estate and Planning, would serve as LMDC's President *ex officio*; (2) ESD's Treasurer, Matthew Bray, and any future holder of that position, would serve as LMDC's Treasurer *ex officio*; (3) whoever serves as ESD's Corporate Secretary would continue to serve as LMDC's Secretary; and (4) a new position of Vice President for Legal and General Counsel would be created, with Joshua

Bloodworth, ESD’s Executive Vice President for Legal and General Counsel, appointed to that position *ex officio*.

Director Rodrigues raised the question of why the Vice President for Internal Audit position was not also being made *ex officio*, as it appeared inconsistent with the approach taken for other positions. Mr. Acocella explained that Stephen Konopko already held the VP for Internal Audit role and that the position had not been proposed for conversion to *ex officio* simply because he was continuing in that capacity. Mr. Konopko confirmed he had served in that role for ESD since 2007. Following discussion, the Directors agreed by consensus that it would be appropriate to also make the Vice President for Internal Audit position *ex officio* with ESD’s corresponding position, and that the resolution should be amended accordingly. Mr. Acocella confirmed the amendment could be incorporated.

Hearing no further questions or comments from the Directors, and noting no comments from the public, upon motion duly made and seconded, the following Resolution, as amended, was unanimously adopted:

CREATION OF NEW OFFICER POSITION AND ELECTION OF OFFICERS

RESOLVED, that in accordance with the materials (“Materials”) presented to this meeting and ordered filed with the records of the Lower Manhattan Development Corporation (“LMDC” or the “Corporation”), the additional LMDC officer position of Vice President, Legal & General Counsel is approved and created; and be it

FURTHER RESOLVED, that in accordance with the Materials, the following individuals be, and hereby are, elected to the office which appears opposite their name, to have and to hold all the powers of their respective office of LMDC as set forth in the LMDC By-Laws until earlier resignation or removal:

President* – Arden Sokolow (ESD EVP, Real Estate and Planning)
Treasurer* – Matthew Bray (ESD Treasurer)
VP, Legal and General Counsel*† – Joshua Bloodworth (ESD EVP, Legal & General Counsel)
VP, Internal Audit* – Steve Konopko (ESD VP, Internal Audit)
Secretary * – Debbie Royce (ESD Corporate Secretary);
and be it

FURTHER RESOLVED, that within the meaning of the NYS Business Corporation Law and in accordance with and for all purposes of the LMDC By-Laws, including but not limited to the indemnification provisions thereof, each of the above-mentioned individuals is an "officer" of LMDC with full signing authority on behalf of LMDC; and be it

FURTHER RESOLVED, that the LMDC positions of President; Treasurer, Secretary, and Vice President, Internal Audit be filled ex-officio with the corresponding positions of ESD Executive Vice President for Real Estate and Planning; ESD Treasurer; ESD Corporate Secretary, ESD Vice President, Internal Audit, respectively, and the Directors hereby confirm that such ESD positions are LMDC "officers" within the meaning of and for all purposes of the New York State Urban Development Corporation Act and LMDC By-Laws, including but not limited to the indemnification provisions thereof; and be it

FURTHER RESOLVED, that the newly-created LMDC position of VP, Legal and General Counsel be filled ex-officio with the corresponding position of ESD Executive Vice President, Legal & General Counsel, and the Directors hereby confirm that such ESD positions are LMDC "officers" within the meaning of and for all purposes of the New York State Urban Development Corporation Act and the LMDC By-Laws, including but not limited to the indemnification provisions thereof; 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.

* *ex officio*

† *newly-created officer position*

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The Chair called on Stephen Konopko, LMDC's Vice President for Internal Audit, to present the next three Agenda items.

Mr. Konopko presented the first item: a request for ratification of an emergency action taken by the Board to extend and amend the website services agreement with Ngenious Solutions. He explained that LMDC staff had used the emergency authorization procedure because the amendment needed to be executed before the end of the fiscal year, as the physical firewall on the existing site was expiring and the site needed to be migrated to a virtual firewall. The authorization request increased the contract by \$21,000. Mr. Konopko further noted that the website hosting had been moved from Rackspace to GoDaddy, reducing monthly hosting costs from \$2,700 to \$1,000, resulting in a net savings to LMDC.

Director Glen asked about the continued need for a separate LMDC website and Mr. Konopko explained that HUD has required LMDC to maintain its own website since inception, as LMDC is 100% federally funded and HUD requires that records be kept separate from ESD. The website provides public access to quarterly reports, action plans, meeting notices, and other information. Director Rodrigues asked whether the website requirement would continue after LMDC's HUD funding is exhausted. Mr. Konopko noted that even after the grant closes, audit requirements for three years following grant closure require that documentation remain available. Mr. Acocella added that over time it may be possible to integrate the relevant content into ESD's website, but that this would be a gradual process.

Director Glen also inquired about the availability of remaining HUD administrative funds to satisfy vendor obligations approved today. Mr. Konopko confirmed that current draws from of the funds have continued without interruption, and that approximately \$500,000 remained in the administrative budget, with \$31 million in the affordable housing bucket and additional funds in other ongoing projects.

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

RATIFICATION OF WEBSITE SERVICES CONTRACT AMENDMENT

RESOLVED, that the amendment executed by the Corporation with NGenious Solutions, Inc. to increase the contract value by \$21,000, to \$278,000, and extending the agreement for a one-year period through March 31, 2026, as described in the materials presented to this meeting is hereby ratified and approved in all respects; 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.

* * *

Mr. Konopko next presented the LMDC administrative budget for fiscal year 2025–2026, covering the period through March 2026. The proposed budget was \$299,999, approximately 43 percent less than the prior year’s budget, reflecting a 38 percent reduction in personnel

costs and a 53 percent reduction in other-than-personnel-services costs, largely attributable to the closure of the office at 22 Cortlandt Street.

Director Rodrigues noted that the remaining administrative funds on hand (approximately \$500,000), less the proposed \$299,999 budget, would leave only a modest balance, and suggested that a forward-looking projection of the administrative budget runway be provided to the Board at a future meeting. Director Glen agreed and suggested that staff prepare a rundown showing the trajectory of the administrative budget going forward. Mr. Konopko agreed to provide this at the next meeting.

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

Approval of the Lower Manhattan Development Corporation Budget for Fiscal Year 2025 – 2026

RESOLVED, that the budget of the Corporation for fiscal year 2025-2026 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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Mr. Konopko presented the final agenda item: a request to authorize LMDC staff to amend its existing contract with the EFPR Group, LMDC’s independent external auditor. He explained that, since LMDC’s inception, HUD has required LMDC to prepare separate financial statements and undergo an annual single audit, as LMDC is 100% federally funded. Since 2007, LMDC has used the same auditor as ESD for this purpose. The authorization sought was for up to \$80,000 for a two-year period, to cover the audit for fiscal year ending 2026 and, if necessary, fiscal year ending 2027.

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

AUTHORIZATION TO EXTEND AND AMEND THE EFPR GROUP EXTERNAL AUDITING SERVICES CONTRACT

RESOLVED, that the Corporation is hereby authorized to amend its agreement with EFPR Group for independent auditing services for up to a two-year period for \$80,000, 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 LMDC Administrative Budgets for fiscal years ending March 31, 2026 and 2027; 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.

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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Following the conclusion of the formal agenda items, Mr. Acocella noted for the record that, with the resignations of Directors Johnson and Weisbrod, the Board currently has six members, below the eight called for in the LMDC bylaws. He noted that the bylaws require an equal split between city and state appointees, and that no decisions had been made, but that it may be appropriate at a future time for the Board to consider whether to reduce the number of authorized board seats while maintaining the required even city-state division — which could be accomplished through a bylaw amendment or other available means.

There being no further business, upon motion duly made and seconded, and all Directors voting in favor, the meeting was adjourned at 4:53 p.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary