

**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

February 13, 2003

**MINUTES**

**In Attendance**

**Directors:**

John C. Whitehead, Chairman  
Roland W. Betts  
Paul Crotty  
Sally Hernandez-Pinero  
Thomas Johnson  
Edward J. Malloy  
Billie Tsien  
Carl Weisbrod  
Madelyn Wils  
Deborah Wright

**Staff Attending:**

**For Lower Manhattan Development Corporation:**

Louis R. Tomson, President  
James Angley, Chief Financial Officer  
And Treasurer  
Jennifer Brown, Assistant Vice President for  
Community and Government Relations  
Daniel Ciniello, Vice President for  
Internal Audit  
Anita Contini, Vice President and Director  
for Memorial, Cultural and Civic Programs  
Ben Dookchitra, Project Manager for Board  
Of Directors  
Hugh Eastwood, Planner for Planning, Design  
And Development  
Alexander Garvin, Vice President for  
Planning, Design and Development  
Christopher Glaisek, Director of Urban  
Planning for Planning, Design & Development  
John Hatfield, Program Manager for Memorial,  
Cultural & Civic Programs  
Matthew Higgins, Vice President for  
Communications

Dyana Lee, Vice President for Investigations  
Peter Madden, Project Manager  
Eileen McEvoy, Assistant Secretary  
Amy Peterson, Project Director for  
Development Programs & Economics  
Nancy Poderycki, Assistant Vice President  
For Communication  
Stefan Pryor, Deputy to the Chairman  
and Secretary  
Kevin Rampe, Executive Vice President  
and General Counsel  
Beatrice Sibblies, Assistant Vice President  
For Development Programs & Economics  
Brandon Smith, Planner For Planning, Design  
And Development  
Tara Snow, Vice President for Community  
and Government Relations  
Sharon Tepper, Program Manager For Memorial,  
Cultural & Civic Programs  
Andrew Winters, Director of Design and  
Development

**For Governor George E. Pataki:**

Diana Taylor

**For Speaker Sheldon Silver:**

Judy Rapfogel, Chief of Staff  
Yvonne Morrow

**For Chairman Whitehead:**

Edward Novotny, Press Consultant

**Also Present:**

Jason R. Lilien, Esq.  
Weil, Gotshal & Manges LLP

The Public  
The Media and Press

The meeting of the Lower Manhattan Development Corporation

("LMDC") was called to order at 8:05 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 January 9, 2003 Directors' Meeting. It was noted for the record that the Minutes did not reflect the fact that Director Weisbrod was in attendance at that meeting. It was further noted that the Minutes would be amended to reflect that fact. 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 JANUARY 9, 2002 MEETING OF THE DIRECTORS OF THE LOWER  
MANHATTAN DEVELOPMENT CORPORATION

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RESOLVED, that the minutes of the meeting of the Corporation held on January 9, 2002, 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.

\* \* \*

Chairman Whitehead began his report by speaking briefly about the two designs that were selected and the enthusiasm with which he looks forward to the continuing process of rebuilding

the World Trade Center and revitalizing Lower Manhattan. The Chairman then outlined several of the funding requests to be presented for consideration by the Directors at the meeting.

Lastly, the Chairman noted that this was Lou Tomson's final Directors' meeting as President of the Corporation. He then read a resolution of appreciation into the record and presented Mr. Tomson with a plaque containing the following resolution which had been duly adopted by the Directors:

#### RESOLUTION OF APPRECIATION FOR LOU TOMSON

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WHEREAS, Louis R. Tomson was the founding President and Executive Director of the LMDC;

WHEREAS, Mr. Tomson shouldered a heavy responsibility in the aftermath of September 11<sup>th</sup>, providing comfort in a time of national tragedy and leadership in a time of great uncertainty;

WHEREAS, Mr. Tomson pursued a mandate to rebuild with no precedent upon which to draw but with unwavering faith in the outcome;

WHEREAS, Mr. Tomson spearheaded the development of a \$300 million Residential Grant Program that restored residential occupancy rates in Lower Manhattan;

WHEREAS, Mr. Tomson forged an historic consensus to secure \$4.55 billion to revamp Lower Manhattan's devastated transportation infrastructure;

WHEREAS, Mr. Tomson guided the LMDC through an international competition that produced nine designs for the World Trade Center site;

WHEREAS, Mr. Tomson will lead the LMDC in the selection of a single site plan for the World Trade Center site;

WHEREAS, Mr. Tomson has honored the memory of the victims of the September 11<sup>th</sup> attacks by creating the interim memorial in Battery Park and working with the Port Authority to construct the viewing wall around the perimeter of the World Trade Center site;

WHEREAS, Mr. Tomson has laid the groundwork for the creation of a fitting permanent memorial to those lost on September 11, 2001;

WHEREAS, through his leadership, intellect, and resolve, Mr. Tomson has established the foundation for the rebuilding of the World Trade Center site and the revitalization of Lower Manhattan;

WHEREAS, Mr. Tomson's tenure at LMDC was only the most recent chapter in his long history of exemplary service on behalf of the people of New York;

RESOLVED, that the Board of Directors of the Lower Manhattan Development Corporation commends Mr. Tomson on his outstanding service to our agency and its mission.

\* \* \*

Next, Mr. Tomson opened the President's Report by thanking the Directors for the resolution and stating his appreciation for having been able to work with such dedicated individuals.

Mr. Tomson provided a brief outline of the progress made on the three fundamental areas of LMDC's work - the memorial, transportation and site planning.

Mr. Tomson then stated that LMDC's most important task, as he sees it, is to look at the funds that Congress has

appropriated to LMDC and decide upon the most sensible and effective way to expend these funds. Mr. Tomson stressed the importance of monitoring the expenditure of the funds once decisions are made.

Several of the Directors and other individuals then expressed praise for Mr. Tomson.

Director Betts provided a brief outline of the schedule involved in choosing from the two design plans.

Mr. Garvin then presented the background information with regard to two items to be considered for funding.

First, Mr. Garvin explained that in an effort to fulfill its public commitment to expand and strengthen the residential community in Lower Manhattan, LMDC was requesting authorization to retain the Weitzman Group, Inc. to conduct a study of the housing market south of Chambers Street. Mr. Garvin noted that the goal of the study is to understand specifically what demand exists for housing downtown, e.g. studios, two bedrooms, lofts and what types of development can be supported by the market and what types require subsidization and how much subsidization. He explained a strategy for new residential development and

conversion will be formulated.

Mr. Garvin explained the process involved in selecting Weitzman and the anticipated timeframe for the completion of the study.

Following Mr. Garvin's presentation Director Pinero-Hernandez spoke favorably with regard to the scope of the study, stating that it has the potential for being an invaluable resource for the City for many years to come. She also spoke positively of having done business with the Weitzman Group and applauded their selection.

Director Wils then asked for clarification as to what the study will include in light of the fact that the City already has a program for converting commercial buildings into residential buildings.

Mr. Garvin explained that one thing the study would examine was whether the development of mixed use buildings with both residential/commercial purposes are feasible, and if it is possible to reduce the costs of conversion by keeping existing tenants in place during the conversion process thus reducing the cost of a buyout. There being no further questions or comments,

the Chairman read a resolution into the record with regard to same. Upon motion duly made and seconded, the following resolution was unanimously adopted:

Retention of Consultant for Housing Study South of Chambers Street

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with The Weitzman Group, Inc. and other designated providers to provide housing consulting services to the Corporation in connection with the Housing Study South of Chambers Street undertaken in collaboration with the New York City Department of City Planning; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$700,000; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

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The Chairman read a resolution into the record relating to an in-house urban design consultant services contract. He then asked Mr. Garvin if he had any presentation with regard to same.

Mr. Garvin briefly outlined the scope of services and the Chairman asked if there were any questions. Director Weisbrod stated that it was his recollection that several consultants were approved at an earlier meeting. Why then, he queried, was this group being brought to the Directors for approval again. Mr.

Tomson explained that the earlier action was to approve the selection of the consultants. The current action, Mr. Tomson explained, is before the Board because it represents a contract that is over \$50,000 and each contract that exceeds \$50,000 must be brought before the Board.

Director Pinero-Hernandez then asked for clarification as to the area to be studied. Mr. Garvin noted that generally it would focus on unused open spaces in the Financial District. The overall goal is to develop innovative designs for said spaces and at the same time, determine whether or not the new configurations would be feasible.

The Chairman, hearing no further questions or comments, called for a motion to adopt the previously recited resolution and upon motion duly made and seconded, the following resolution was adopted:

Authorization for Expenditures Pursuant to Urban Design  
Consultant Contract

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Smith-Miller Hawkinson LLP to serve as in-house urban design consultants to the Corporation in connection with redevelopment of open spaces throughout the Financial District in Lower Manhattan; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$350,000; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

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Mr. Glaisek then provided a detailed update on the work being done with regard to the Fulton Street Corridor.

Mr. Higgins followed with a request for funding to extend LMDC's Winter Garden Design Exhibit.

Following Mr. Higgin's presentation, the Chairman read a resolution into the record requesting the aforementioned funding and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization of Additional Expenditures for Plans in Progress Exhibit

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RESOLVED, that the Corporation is hereby authorized to amend the agreement with 212 Harakawa, Inc, dated December 2, 2002, to provide additional exhibition and graphic design services to the Corporation in connection with the Plans in Progress exhibit at the World Financial Center and the public presentation of a single design for the World Trade Center site; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to increase the expenditures under such agreement

by an additional \$305,000 to an amount not to exceed \$780,000 in the aggregate; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

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Director Wright then presented a status report with regard to the memorial process and both she and Ms. Contini provided the background information regarding two funding requests in connection with the memorial competition phase of the process.

Following Ms. Contini's presentation, the Chairman read two resolutions into the record requesting funding for two separate consulting contracts in connection with the previously mentioned memorial competition. Following the recitation of both resolutions and upon motion duly made and seconded, the following resolutions were unanimously adopted:

#### Retention of Memorial Competition Administration Consultant

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Landair Project Resources, Inc. to provide consulting services to the Corporation in connection with the logistics, implementation, and administration of the Memorial Competition; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$975,000; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

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#### Retention of Memorial Competition Development Consultant

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Planning and Design Institute, Inc. to provide consulting services to the Corporation in developing guidelines and procedures for the Memorial Competition; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$500,000; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

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Ms. Lee, the Vice President of Investigations then provided a report with regard to the three areas that she has concentrated her efforts on since her arrival at LMDC in November.

Specifically, she reported on assisting in the monitoring of the Residential Grant Program as it relates to fraud detection and prevention, coordinating with local law enforcement and identifying other areas in the organization with potential fraud risks and helping to formulate systems or controls to minimize those risks.

Ms. Lee stated that going forward, she expects to be

involved in shaping fraud detection systems for any new programs that are developed by the Corporation.

Next, Ms. Peterson provided an update on the residential grant program. She explained that more than \$100 million in grants have been provided under the program. She then briefly outlined the continuing outreach program initiated by LMDC.

There being no further business, the meeting was adjourned at 9:26 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary