

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

July 10, 2003

MINUTES

In Attendance

Directors:

John C. Whitehead, Chairman
Paul Crotty
Christy Ferer (via telephone)
Richard Grasso (via telephone)
Robert Harding
Sally Hernandez-Pinero
Thomas Johnson
Edward Lewis
Stanley Shuman (via telephone)
Billie Tsien
Carl Weisbrod
Madelyn Wils
Frank Zarb

Staff Attending:

For Lower Manhattan Development Corporation:

Kevin Rampe, President and CEO
Jennifer Brown, Assistant Vice President for
Community and Government Relations
Irene Chang, Vice President for Legal Affairs
and Counsel
Daniel Ciniello, Vice President for
Internal Audit
Anita Contini, Vice President and Director
for Memorial, Cultural and Civic Programs
Ben Dookchitra, Project Manager
Christopher Glaisek, Vice President of Urban
Planning for Planning, Design & Development
John Hatfield, Assistant Vice President and
Program Manager for Memorial, Cultural &
Civic Programs
Matthew Higgins, Chief Operating Office and
Director of Communications
Dyana Lee, Vice President for Investigations

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Peter Madden, Senior Project Manager
Amy Peterson, Vice President for
Development Programs & Economics
Nancy Poderycki, Assistant Vice President
For Communications
Stefan Pryor, Deputy to the Chairman and
Chief of Staff/Secretary
Tara Snow, Vice President for Community
and Government Relations
Sharon Tepper, Project Manager for Memorial,
Cultural & Civic Programs

For New York City:

Daniel Doctoroff, Deputy Mayor, Economic
Development

For Governor George E. Pataki:

Doug Blais

For Speaker Sheldon Silver:

Judy Rapfogel, Chief of Staff

For Chairman Whitehead:

Edward Novotny, Advisor

Counsel to the Board:

Jason R. Lilien, Esq.
Ira Millstein (telephone)
Weil, Gotshal & Manges LLP

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Also Present:

Deborah Wright (newly resigned Board Member)
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 Chairman then called for the approval of the Minutes of the June 12, 2003 and June 17, 2003 Directors' Meetings.

There being no further comments or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT
THE JUNE 12, 2003 AND JUNE 17, 2003 MEETINGS OF THE
DIRECTORS OF THE LOWER MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meetings of the Corporation held on June 12, 2003 and June 17, 2003, 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.

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Chairman Whitehead opened his report by welcoming the three new LMDC Directors - Ed Lewis, Christy Ferer and Stanley Shuman to the meeting. The Chairman provided brief background information regarding each of the new Directors.

The Chairman then noted that Deborah Wright was stepping down from the Board due to her steadily increasing duties at Carver Federal Savings Bank where she is Chairman and Chief Executive Officer. The Chairman went on to note that Director Wright was one of the founding members of the Board. He praised her for her tremendous contribution to the Board, most notably in her role as Chair of the Memorial Working Group.

The Chairman then explained that two other Board members had recently resigned - Lewis Eisenberg and Stanley O'Neal. He then read a resolution into the record honoring the service of Directors Eisenberg, O'Neil and Wright. Upon motion duly made and seconded, the following resolution was unanimously adopted:

A Resolution of the Board of Directors of the Lower Manhattan Development Corporation to Acknowledge The Contributions and Accomplishments of Former Board Members Deborah C. Wright, Lewis M. Eisenberg, and E. Stanley O'Neal, and To Commend Them for Their Service to The Lower Manhattan Development Corporation

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WHEREAS Deborah C. Wright was a founding Board member of the LMDC, appointed in November 2001;

WHEREAS Lewis M. Eisenberg was a founding Board member of the LMDC, appointed in November 2001;

WHEREAS E. Stanley O'Neal was a Board member of the LMDC, appointed in April 2002;

WHEREAS Ms. Wright, Mr. Eisenberg, and Mr. O'Neal were valued members of the LMDC Board;

WHEREAS Ms. Wright invested great energy and continuously displayed vision and leadership as chair of the Board's Memorial Board Working Group and as representative to the Families Advisory Council;

WHEREAS Mr. Eisenberg served with dedication and distinction in his positions as a member of the Board's Memorial Board Working Group and Transportation Board Working Group and as a representative to the Families Advisory Council;

WHEREAS Mr. O'Neal brought particular insight and valuable perspective to the Board as a leader of a cornerstone firm that, at a time when it required a leap of faith, re-committed to Lower Manhattan;

WHEREAS Ms. Wright, Mr. Eisenberg, and Mr. O'Neal invested their energy and intellect in our endeavors and Lower Manhattan will be better for it;

WHEREAS the terms of Ms. Wright, Mr. Eisenberg, and Mr. O'Neal are only the most recent chapters of their long, distinguished histories of public service and service to Lower Manhattan;

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Lower Manhattan Development Corporation HEREBY ACKNOWLEDGES, THANKS AND COMMENDS Deborah C. Wright, Lewis M. Eisenberg, and E. Stanley O'Neal for their excellent service in helping the Lower Manhattan Development Corporation execute its mission.

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Director Wright stated that she was honored to have served with all of the Directors. She noted that while she was sad to leave she had total confidence in the Directors to continue in this important mission. Director Wright stated that she would make herself available to provide assistance if the need arose.

The Chairman then continued with his report, citing a series of positive Lower Manhattan real estate statistics.

The Chairman went on to explain that LMDC had issued an invitation to cultural institutions to submit their ideas or plans related to cultural activities on the World Trade Center site. He explained that the proposals are due by September 15th. His report completed, the Chairman turned the meeting over to Mr. Rampe to present the President's report.

President Rampe then provided his report. He began by noting that the Memorial Competition deadline had passed and that initial counts indicated that the competition was on track to be the largest in history.

Mr. Rampe described plans to conduct an extensive outreach campaign with regard to the invitation to cultural institutions

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that the Chairman had mentioned.

Mr. Rampe noted that LMDC was progressing with the planning of the jointly conducted City-LMDC community outreach workshops, six of which were planned for the summer. Among other things, the workshops will provide participants with an opportunity to have discussions about their community's needs.

Mr. Rampe reported that the environmental review process was proceeding on schedule. He also discussed the LMDC summer intern program. Mr. Rampe noted that the Directors would be asked to approve the appointment of Anthoula Katsimatides as Assistant Vice President for Government Relations and Community Affairs. He concluded by providing a preview of the items on the agenda of the day's meeting.

The Chairman then read a resolution into the record with regard to this appointment and upon motion duly made and seconded, the following resolution was unanimously adopted:

Election of Officer

RESOLVED, that Anthoula Katsimatides is hereby elected Assistant Vice President for Government Relations and Community Affairs of the Corporation, and shall serve until such time as

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her successor is duly elected and qualified or until her earlier resignation or removal.

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Director Zarb presented a brief Audit and Finance Committee report for the Directors' information. Director Zarb noted that the Committee had met with the internal auditor and reviewed a draft of the Corporation's audited financial statements. He explained that it is anticipated that audited financial statements for the last fiscal year will be provided at the next Board meeting.

Then in compliance with LMDC's policy regarding the Residential Grant Program, Director Zarb noted for the record that John Hatfield's and his wife Amy Wolf's application had been approved. This application, he noted, had been submitted in October of 2002. Said application also having been noted for the record at that time.

The Chairman then announced that four resolutions would be presented for consideration with regard to several subrecipient agreements necessary for the implementation of many of the short-term capital projects and long-term planning initiatives that were included in the most recent Partial Action Plan.

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The Chairman explained that these actions did not represent a request for additional dollars, they merely authorize staff to take the next steps necessary to implement the Partial Action Plan projects. The Chairman called upon Ms. Peterson to present the projects.

Ms. Peterson outlined each of the projects, noting that they were the same ones discussed two meetings ago when authorization was given to move the Partial Action Plan forward.

Following Ms. Peterson's summary, Director Wils asked if today's requests represented the same breakdown of moneys. Ms. Peterson informed her that it was the same breakdown, with an additional amount for the West Street bridge and crossings project.

Director Crotty then inquired about the status of HUD's approval of the partial action plan.

Ms. Peterson noted that LMDC was working very closely with HUD to move things along as efficiently and effectively as possible.

Director Weisbrod then commented favorably on the initial improvements to the Stock Exchange area. He noted his

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satisfaction at moving to the next step.

Director Wils then stated that the recently released housing study done by the Community Board showed that there has been and will continue to be an enormous amount of residential growth in the area and that these improvements will be of benefit to the growing residential community.

The first of four resolutions were read into the record by the Chairman and upon motion duly made and seconded, the following resolution was adopted: (It was noted for the record that Directors Grasso, Weisbrod and Wils recused themselves from voting on the following resolution.)

Authorization to Enter into Subrecipient Agreements with
City of New York and Other Recipients

RESOLVED, that the Corporation is authorized to enter into subrecipient agreements and contracts with the City of New York, or one or more agencies or designees thereof, and such other entities determined by the President to be necessary to implement the following projects included in the Partial Action Plan submitted to the Federal Department of Housing and Urban Development (HUD) on June 23, 2003, a copy of which shall be filed with these resolutions in the records of the Corporation:

1. New York Stock Exchange Area Security and Aesthetic Improvements
2. Neighborhood Parks and Open Spaces
3. Millennium High School
4. Lower Manhattan Planning Studies and Improvements

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and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreements and contracts shall not exceed \$42,129,000 in the aggregate; 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 and appropriate to effect the foregoing.

* * *

Director Hernandez-Pinero stated that statistics related to job creation for local residents and minority participation be tracked and the economic impact be assessed.

Mr. Rampe stated that such information will be tracked and reported as rebuilding moves forward.

The Chairman read the resolution relating to the subrecipient agreements with the Port Authority and the Department of Transportation into the record and upon motion duly made and seconded the following resolution was unanimously adopted:

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Authorization to Enter Into Subrecipient Agreements with
Port Authority of New York and New Jersey and New York State
Department of Transportation

RESOLVED, that the Corporation is authorized to enter into subrecipient agreements and contracts with the Port Authority of New York and New Jersey, the New York State Department of Transportation and such other entities determined by the President to be necessary to implement the following projects included in the Partial Action Plan submitted to the Federal Department of Housing and Urban Development (HUD) on June 23, 2003, a copy of which shall be filed with these resolutions in the records of the Corporation:

1. West Street Pedestrian Connection Project
2. West Street Technical Services and Planning

and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreements and contracts shall not exceed \$22,844,189 in the aggregate; 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 and appropriate to effect the foregoing.

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Following the Chairman's reading of the resolution relating to the Alliance for Downtown, Directors Weisbrod and Wils noted for the record that they were recusing themselves from voting on same. Then, upon motion duly made and seconded the following resolution was adopted:

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Authorization to Enter into Subrecipient Agreement with the Alliance for Downtown New York, Inc.

RESOLVED, that the Corporation is authorized to enter into a subrecipient agreement and contracts with the Alliance for Downtown New York, Inc. and such other entities determined by the President to be necessary to carry out improvements to the streetscape of Broadway from Battery Park to City Hall Park, included in the Partial Action Plan submitted to HUD on June 23, 2003, a copy of which shall be filed with these resolutions in the records of the Corporation; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreement and contracts shall not exceed \$4,000,000; 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 and appropriate to effect the foregoing.

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Following the Chairman's reading of the resolution relating to the Hudson River Trust, Director Wils noted for the record that she was recusing herself from voting on same. Then, upon motion duly made and seconded the following resolution was adopted:

Authorization to Enter into Subrecipient Agreement with the Hudson River Park Trust

RESOLVED, that the Corporation is authorized to enter into a subrecipient agreement and contracts with the Hudson River Park Trust and such other entities determined by the President to be necessary for the development of recreational facilities within Hudson River Park, included in the Partial Action Plan submitted to HUD on June 23, 2003, a copy of which shall be

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filed with these resolutions in the records of the Corporation; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreement and contracts shall not exceed \$2,600,000; 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 and appropriate to effect the foregoing.

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Next, the Directors were asked to approve additional expenditures under Public Realm Consultant's contract. Mr. Winters provided the presentation. Following the Chairman's recitation of the related resolution and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization for Expenditures under Public Realm Consultant Contracts

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Smith-Miller & Hawkinson LLP, dated February 13, 2003, to increase the authorized expenditures thereunder by an additional \$15,000 to an amount not to exceed \$365,000 in the aggregate; and be it

FURTHER RESOLVED, that these funds will be utilized in the implementation of the West Street Pedestrian Connection Project, included in the Partial Action Plan submitted to HUD on June 23, 2003, a copy of which shall be filed with these resolutions in the records of the Corporation; and be it

FURTHER RESOLVED, that these funds will be a portion of the total funds included in the Partial Action Plan submitted to HUD on June 23, 2003; and be it

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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 and appropriate to effect the foregoing.

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Lastly, the Directors were requested by Mr. Higgins to authorize a contract for Video Production Service in connection with the World Trade Center Site Memorial competition.

Following the Chairman's reading of the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Retention of Consultant for Video Documentation and Production Services

RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Whirlwind & Company, Inc. to provide video documentation and production services in connection with the World Trade Center Site Memorial Competition; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$150,000; 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 and appropriate to effect the foregoing.

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There being no further business, the meeting was adjourned at 8:50 a.m.

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Respectfully submitted,

Eileen McEvoy
Assistant Secretary