

**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

September 16, 2003

**MINUTES**

**In Attendance**

**Directors:**

John C. Whitehead, Chairman  
Roland Betts  
Paul Crotty  
Christy Ferrer  
Thomas Johnson (via telephone)  
Edward Lewis  
Edward J. Malloy  
Stanley Shuman  
Billy Tsien  
Carl Weisbrod  
Madelyn Wils

**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 of Legal Affairs  
and Counsel  
Betty Chen, Director of Design  
Daniel Ciniello, Vice President Internal  
Audit  
Anita Contini, Vice President - Memorial,  
Cultural and Civic Programs  
Ben Dookchitra, Project Manager  
Christopher Glaisek, Vice President for  
Planning, Design & Development  
John Hatfield, Assistant Vice President -  
Program Manager for Memorial, Cultural &  
Civic Programs  
Matthew Higgins, Chief Operating Officer and  
Director of Communications

Anthoula Katsimatides, Assistant VP for  
Communications & Government Relations  
Dyana Lee, Vice President for Investigations  
Holly Leight, Director of Planning  
Jennifer Lumpp, Director of Business  
Relations  
Peter Madden, Senior Project Manager  
Eileen McEvoy, Assistant Secretary  
Robert Miller, Chief Financial Officer  
Amy Peterson, Vice President - Development  
Programs & Economics  
Stefan Pryor, Deputy to the Chairman & Chief  
of Staff  
Joanna Rose, Assistant Vice President for  
Communications and Press Secretary  
Beatrice Sibblies, Assistant Vice President  
for Development Programs & Economics  
Andrew Winters, Vice President & Director  
for Planning, Design, & Development

Other Staff

**For ESD:**

Kevin S. Corbett, Chief Operating Officer

**For Governor Pataki:**

Doug Blais

**For New York City:**

Roy Bahat, Representing Daniel Doctoroff,  
Deputy Mayor - Economic Development

**For Speaker Sheldon Silver:**

Judy Rapfogel, Chief of Staff

**For Chairman Whitehead:**

Edward Novotny, Advisor

**Counsel to the Board:**

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

**Also Present:**

Steven L. Kass, Carter Ledyard &  
Millburn, LLC  
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 called for a moment of silence to acknowledge the second anniversary of 9/11. He noted that this was the first Board Meeting since that anniversary.

Next, the Chairman called for the approval of the Minutes of the August 14, 2003 Directors' Meeting. There being no 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 AUGUST 14, 2003 MEETING OF THE DIRECTORS OF THE LOWER  
MANHATTAN DEVELOPMENT CORPORATION

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RESOLVED, that the minutes of the meetings of the Corporation held on August 14, 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.

\* \* \*

Chairman Whitehead opened his report by noting the opening of Millennium High School. The Chairman expressed his appreciation to those individuals who were responsible for the success of these efforts including Governor Pataki, Mayor Bloomberg, Chancellor Klein, and Madelyn Wils.

The Chairman proceeded to recount other signs of confidence in the future of the downtown market, specifically citing the purchase of 5 Hanover Square, which contains over 300,000 square feet of commercial space, by Swig Burris Equities.

The Chairman reported on the progress LMDC-funded initiatives such as the Lower Manhattan Neighborhood Parks and

Open Spaces and the streetscape improvement program in the area surrounding the New York Stock Exchange.

The Chairman noted that the submission deadline for LMDC's Invitation to Cultural Institutions was September 15, 2003. He reported that over 100 responses had been received from a wide and varied range of organizations.

In regards to the memorial competition, Chairman Whitehead stressed the diligence with which the jury members were proceeding with their deliberations on the memorial submissions. He explained that neither the schedule nor the content of those deliberations would be publicly discussed until the jury has signaled that they are prepared.

In closing his report, the Chairman explained that Director Zarb had resigned and he read a resolution of appreciation into the record regarding Director Zarb as follows:

A Resolution of the Board of Directors of the Lower Manhattan Development Corporation to Acknowledge the Contributions and Accomplishments of Former Board Member Frank G. Zarb and to Commend Him for His Service to the Lower Manhattan Development Corporation

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WHEREAS Frank G. Zarb was a founding Board member of the LMDC, appointed in November 2001;

WHEREAS the contributions made by Mr. Zarb were appreciated by his colleagues;

WHEREAS Mr. Zarb served with great distinction as the first chair of the Board's Audit and Finance Committee, where his continuous and masterful guidance in establishing controls and procedures instilled in the LMDC the highest principles of ethics, accountability, and fiscal responsibility and infused the agency's work with the integrity for which he himself is widely acclaimed;

WHEREAS Mr. Zarb's steadfast and vigilant commitment to excellence, in all aspects of the LMDC's operations, has propelled the agency in its innovative and expeditious pursuit of the rebuilding of the World Trade Center site, the creation of a September 11<sup>th</sup> memorial, and the revitalization of Lower Manhattan;

WHEREAS the contributions of Mr. Zarb constitute a key piece of the foundation upon which the rebirth of Lower Manhattan will be realized;

WHEREAS the term of Mr. Zarb is only the most recent chapter of his long, distinguished history 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 Frank G. Zarb for his excellent service in helping the Lower Manhattan Development Corporation execute its mission.

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At the Chairman's request, Director Betts gave a report on the World Trade Center site planning process that has gone on for the past six months, the results of which, he explained will be made public on September 17<sup>th</sup> when the modified designs will be

released.

President Rampe opened his report by noting that LMDC hosted the Art for Heart Program on September 11<sup>th</sup>. He explained that this program was for the children of the September 11<sup>th</sup> victims. Mr. Rampe noted that the program was spearheaded by Ali Millard. Ms. Millard is the stepdaughter of Neil Levin, the Executive Director of the Port Authority who perished in the terrorist attacks of 9/11. He also extended appreciation to Director Ferrer, Ms. Millard's mother and the wife of Neil Levin, for her part in running this program.

The other public service activities engaged in by LMDC staff on 9/11 were also mentioned by President Rampe.

President Rampe went on to state that on August 25<sup>th</sup>, LMDC announced the launch of an amnesty program to enable individuals to return any improperly received Residential Grant Program funds to LMDC and thereby avoid prosecution. He then outlined the steps to be taken by individuals seeking to take advantage of this program.

The amnesty program, he reported, has been successful as

have the other fraud controls currently in place. He noted that the last day of the amnesty program is September 30<sup>th</sup>.

The President then outlined other items to be addressed at the meeting including those relating to the environmental review of the World Trade Center as well as funding requests for planning and transportation.

President Rampe noted that the Budget Variance Report was contained in the Directors' materials.

Ms. Chang then provided the background information with regard to two action items relating to the environmental review process. First, Ms. Chang asked the Directors to authorize LMDC to amend the General Project Plan for the World Trade Center Memorial and Cultural Program Land Use Improvement Project. Specifically, she noted that the project site plan has been revised to incorporate several adjacent sites immediately to the south of the World Trade Center, west of Greenwich Street and Site 26 in Battery Park City.

Ms. Chang then presented the relevant information with regard to the Final Scope of the Generic Environmental Impact

Statement for the World Trade Center Memorial and Redevelopment Plan. She noted that some tasks have been added and significant clarifications and changes have been made in response to public comments as well as to redefine the project site.

The Chairman read the following resolutions into the record with regard to the above stated requests for approval. Following said reading and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Land Use Improvement Project Findings pursuant to Sections 10(c)(1), (2) and (3) of the UDC Act

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the WTC Memorial and Cultural Program Civic and Land Use Improvement Project (the "Project"), the Corporation hereby finds, pursuant to Sections 10(c)(1), (2) and (3) of the New York State Urban Development Corporation Act (the "Act"), that:

- (i) the area in which the Project is to be located, as described in the Amended General Project Plan presented to this meeting (the "Amended Project Plan"), is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area, and tends to impair or arrest the sound growth and development of the municipality; and
- (ii) the Project, as described in the Amended Project Plan, consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant; and

- (iii) the plan or undertaking set forth in the Amended Project Plan affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

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Civic Project Findings pursuant to Sections 10(d)(1), (2), (3) and (4) of the UDC Act; Project Finding pursuant to Section 10(g) of the UDC Act

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the WTC Memorial and Cultural Program Civic and Land Use Improvement Project (the "Project"), the Corporation hereby finds, pursuant to Sections 10(d)(1), (2), (3) and (4) of the Act, that:

- (i) there exists in the area in which the Project is to be located, as described in the Amended General Project Plan presented to this meeting (the "Amended Project Plan"), a need for the cultural, recreational, community, municipal or other civic facilities to be included in the Project; and
- (ii) the Project, as described in the Amended Project Plan, will consist of a building or buildings or other facilities which are suitable for cultural, recreational, community, municipal or other civic purposes; and
- (iii) the Project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity that is carrying out a community, municipal or other civic purpose, and that adequate provision has been, or will be, made for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of the Project; and
- (iv) the plans and specifications assure or will assure adequate light, air, sanitation and fire protection;

and be it

FURTHER RESOLVED, that on the basis of the materials presented to this meeting, which indicate that no families or individuals reside in or are to be displaced from the Project area, the Corporation hereby finds that the requirements of Section 10(g) of the Act are satisfied.

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Adoption of the Amended General Project Plan; Adoption of the Final Scope for the Generic Environmental Impact Statement; and Authorization to Take Other Related Actions

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RESOLVED, that the General Project Plan for the WTC Memorial and Cultural Program Civic and Land Use Improvement Project (the "Project") adopted by the Board of Directors on June 17, 2003 is hereby amended to incorporate into the Plan certain additional sites that are adjacent to the World Trade Center site, for the purposes of and subject to the requirements of Section 16 of the Urban Development Corporation Act (the "UDC Act"), and as may be appropriate pursuant to other applicable laws, to read as set forth in the Amended General Project Plan (the "Amended Project Plan") submitted to this meeting; and be it

FURTHER RESOLVED, that a copy of the Amended Project Plan, together with such changes therein as the President of the Corporation or his designee may deem necessary or appropriate, is hereby ordered filed with the records of the Corporation; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee is hereby authorized to take such action as deemed necessary or appropriate in connection with the holding of the hearings and meetings required pursuant to Section 16 of the UDC Act, the National Environmental Policy Act, the State Environmental Quality Review Act and any other applicable law (which hearings may be held simultaneously), including without limitation, the providing, filing or making available of copies of the Amended Project Plan and/or digests thereof, the fixing of a date for such hearings and public meetings, the publication of a notice relating to the Amended Project Plan and such hearings in accordance with the procedures approved by such persons, and

the making of a report or reports to the Board of Directors on such hearings, written comments received, and any local governmental recommendations respecting the Amended Project Plan; and be it

FURTHER RESOLVED, that on the basis of the materials presented to this meeting relating to the Proposed Action, copies of which are hereby ordered filed with the records of the Corporation, the Corporation, having considered all public comments submitted on the Draft Scope for the Generic Environmental Impact Statement (the "GEIS") for the proposed World Trade Center Memorial and Redevelopment Plan (the "Proposed Action"), hereby adopts the Final Scope (the "Final Scope") for the GEIS for the Proposed Action submitted to this meeting, together with such changes therein as the President of the Corporation or his designee, may deem appropriate, a copy of which Final Scope, together such changes, is hereby ordered filed with the records of the Corporation; and be it

FURTHER RESOLVED, that the President of the Corporation or his or her designee is hereby authorized to take such action as he or she deems necessary or appropriate in connection with the Final Scope, including without limitation, the providing, filing or making available copies of the Final Scope and/or digests thereof; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all related actions as he or she may in his or her sole discretion consider to be necessary or appropriate to effectuate the foregoing resolutions.

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Director Crotty commended the staff for their exceptional work in completing such a thorough and comprehensive document.

Mr. Pryor then provided the Directors with a background

report regarding a request for authorization for LMDC to enter into an agreement with STV to serve as LMDC's house transportation consultant on the Corporation's work on the airport and commuter access studies as well as other transportation topics at the direction of LMDC.

Following the provision of further details with regard to this contract, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

#### Retention of House Transportation Consultant

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with STV, Inc. to serve as house transportation consultant for the LMDC in connection with airport and commuter access issues and other transportation topics as directed by the LMDC; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$300,000; 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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Mr. Glaisek presented two items relating to funding for two off-site planning activities.

The first involved a request for funding for additional work on the Fulton Corridor Study as provided by Robert A. M. Stern Architects. Mr. Glaisek provided a detailed outline of the reasons said additional work is required.

Mr. Glaisek then provided the background information with regard to a request for authorization for LMDC to enter into a Subrecipient Agreement with the New York City Housing Development Corporation for a Housing Study south of Chambers Street. Mr. Glaisek noted that in February, the Board approved the retention of the Weitzman Group for consultant services in relation to the housing study for an amount not to exceed \$700,000. Since that time, Mr. Glaisek explained the scale of the study has been reduced to an amount not to exceed \$490,000.

Following Mr. Glaisek's presentation, the Chairman read the relevant resolutions into the record. It was noted for the record that Director Betts abstained from voting with regard to the A.M. Stern Contract resolution. Then, upon motion duly made and seconded, the following resolutions were unanimously adopted.

Authorization of Additional Expenditures for House Urban  
Design Consulting Services

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RESOLVED, that the Corporation is authorized to amend the agreement entered into with Robert A.M. Stern Architects for house urban design consulting services to increase the expenditures under such agreement by an additional \$170,000 to an amount not to exceed \$695,000 in the aggregate; and be it

FURTHER RESOLVED, that such additional funds shall be used primarily for cost estimation, traffic analysis, massing/feasibility studies, and the creation of public presentation materials as they relate to the Fulton Corridor urban design study; 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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Authorization to Enter in a Subrecipient Agreement with the  
New York City Housing Development Corporation - Housing  
Study South of Chambers Street

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RESOLVED, that the Corporation is hereby authorized to enter into one or more subrecipient agreements with the New York City Housing Development Corporation for the purpose of administering the Housing Study South of Chambers Street; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreements shall not exceed \$490,000 in the aggregate; and be it

FURTHER RESOLVED, that the previous authorization to enter into a contract directly with the Weitzman Group, Inc. is superseded by this resolution, and no funds shall be allocated pursuant to such previous authorization; 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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Ms. Peterson provided the background details with regard to a request to the Board to authorize the Partial Action Plan No. 6 as the first step toward the implementation of an affordable housing program. Following this presentation, Director Crotty asked how much of the funding for this program would be from remaining Residential Grant Program funding. Ms. Peterson stated that it is currently estimated that an amount ranging from \$20 to \$60 million will remain in the Residential Grant Program.

There being no further questions or comments the Chairman read a resolution into the record authorizing this plan. Upon motion duly made and seconded, the following resolution was unanimously adopted:

Approval of Issuance of Partial Action Plan No. 6

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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) a Partial Action Plan for the expenditures of up to \$50,000,000 of the Corporation's funds to subsidize the construction of affordable housing; and be it

FURTHER RESOLVED, that following approval of the Partial Action Plan by HUD, the agreements necessary to implement the Partial Action Plan, and the expenditures to be incurred by the Corporation in connection therewith, shall be submitted to the Board of Directors for authorization; 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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In response to Directors' requests at the August meeting, Ms. Rose and Mr. Bahat from Deputy Mayor Doctoroff's office gave a report on the coordination of Lower Manhattan communications initiatives. Ms. Rose provided a detailed report on the most recent activities of the LMDC communication division. Specifically, she set forth the components of LMDC's communications campaign as announced by Governor Pataki in April.

Mr. Bahat then set out the specifics of the LowerManhattan.info website, including its potential audience as well as the contents of the website.

Ms. Rose then outlined various other communication tools that are currently used as well as those future devices including information kiosks.

Ms. Rose also explained that LMDC has recently held communication meetings with numerous organizations with the goal of coordinating efforts to better communicate with Downtown businesses, their employees and residents.

Director Weisbrod commended Ms. Rose, Mr. Bahat and their colleagues their tremendous efforts in this regard.

Director Crotty asked how much was being spent on kiosks and Ms. Rose informed him that up to \$500,000 had been authorized for up to three kiosks.

The Chairman said that he believes the program to be extremely important, particularly for the retail stores in the area.

There being no further business, the meeting was adjourned at 9:05 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary