

DRAFT - SUBJECT TO REVIEW AND REVISION

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

May 11, 2006

MINUTES

In Attendance

Directors:

John C. Whitehead, Chairman
Robert Balanchandran
Amanda M. Burden
Daniel L. Doctoroff
Robert Douglass
Charles A. Gargano
Robert M. Harding
Thomas Johnson
James K. Kallstrom
Edward J. Malloy
William C. Rudin
Martha E. Stark
Carl B. Weisbrod
Madeline Wils

Staff Attending:

For Lower Manhattan Development Corporation:

Stefan Pryor, President and CEO
Bissera Antikarov, Director - Planning
Allison Bailey, Secretary of the Corporation and Special Asst. to the President
Carin Cardone, Director of Tourism & Marketing
Irene Chang, General Counsel
Dan Ciniello, Senior Vice President - Operations
John Gallagher, Director of Communications
Michael Haberman, Vice President - Community Development and Relations
Eileen McEvoy, Assistant Secretary
Robert Miller, Chief Financial Officer
Anne Papageorge, Senior Vice President -

Memorial and Cultural Development
Phil Plotch, Director of Transportation
Policy
Amy Weisser, Assistant Vice President -
Memorial, Cultural and Civic Programs

Other Staff

For Speaker Sheldon Silver:

Judy Rapfogel, Chief of Staff

Counsel to the Board:

Joel Moser, Esq., Fulbright & Jaworski

For Governor Pataki:

Doug Blais

Lower Manhattan Construction Command Center

Charles Maikish, Executive Director

Also Present:

The Public
The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:06 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 April 6, 2006 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 APRIL 6, 2006 MEETING OF THE DIRECTORS OF THE LOWER
MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on April 6, 2006, 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.

* * *

The Chairman opened his report by noting that he would be resigning as Chairman effective May 31, 2006. The Chairman stated that he had advised the Mayor and the Governor of his decision last month.

The Chairman went on to state that it has been an honor to serve as Chairman over the last four and a half years, noting that while he regretted having to make this announcement, his family and doctor had become increasingly insistent.

The Chairman thanked the Governor and Mayor for their work

on the redevelopment, as well as the Board and staff of the LMDC for their hard work and tremendous dedication.

The Chairman went on to note several of the significant accomplishments of the LMDC, stating that he believed that through the continuing work of the rebuilding Lower Manhattan will emerge better than ever. He concluded his comments by thanking everyone for the opportunity to serve as Chairman of the LMDC.

Mr. Pryor began his report by expressing his tremendous appreciation for having had the privilege to work with the Chairman from the time the LMDC was created in 2001. Mr. Pryor recalled that the Chairman had taken his position without a budget, agenda, or office, and had been a true inspiration for all who worked with him. Mr. Pryor listed some of the Chairman's many accomplishments downtown, and spoke of the Chairman's leadership qualities.

Mr. Pryor then read the following resolution in honor of the Chairman:

A Resolution of the Board of Directors of the Lower Manhattan Development Corporation to Acknowledge the Contributions and Accomplishments of Founding Board

Chairman John C. Whitehead and to Commend Him for His Service to the Lower Manhattan Development Corporation

WHEREAS, John C. Whitehead has served as Chairman of the Lower Manhattan Development Corporation (LMDC) since its inception in 2001; and

WHEREAS, Chairman Whitehead's distinguished leadership throughout the rebuilding, from the LMDC's immediate recovery initiatives, through the selection of the World Trade Center Site Master Plan and the World Trade Center Memorial to those we lost on September 11th, through the formulation of innovative off-site initiatives to revitalize Lower Manhattan; and

WHEREAS, the commitment and vision Chairman Whitehead has brought to the rebuilding of Lower Manhattan in the wake of the September 11th attacks has propelled the agency to initiate projects that will ensure Lower Manhattan's positioning as a premier business district and a vital, diverse, and mixed-use community; and

WHEREAS, Chairman Whitehead's staunch support of the cultural revitalization of downtown, ensuring the presence of hope and resiliency in the wake of our loss, has led to an array of arts and cultural initiatives, including grants to a constellation of cultural institutions in every downtown neighborhood and every art form; and

WHEREAS, through his incomparable integrity, dignity, and resolve, Chairman Whitehead has guided the rebirth of Lower Manhattan, and has truly embodied the LMDC's mandate to "Remember, Rebuild, and Renew"; and

WHEREAS, the Chairman's stewardship of the LMDC is only the most recent chapter of his remarkable career and notable contributions to our City;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Lower Manhattan Development Corporation commends Chairman Whitehead on his exemplary service and dedication to our agency and its mission.

* * *

Following this resolution, many of the Directors spoke,

echoing Mr. Pryor's sentiments with regard to the Chairman's tremendous leadership in rebuilding Lower Manhattan and expressing their gratitude and appreciation for all of his work.

Next, Director Johnson provided the Audit and Finance report. Director Johnson opened by stating that the Committee reviewed the purpose, cost justification, availability of funds, and Board Working Group comments relevant to the funding resolutions on today's agenda and based upon same, the Committee recommends the approval of those resolutions.

Director Johnson then explained that going forward, the Directors will be provided with two separate reports, one tracking spending related to LMDC's planning administrative budget and the other tracking contract commitments related to HUD program allocations.

Director Johnson further noted that through the remainder of this year, the Board will receive quarterly budget variance reports measuring actual spending against this budget.

Ms. Papageorge then asked the Directors to authorize LMDC to amend its agreement with Davis Brody Bond LLP to expend up to an additional \$1,000,000 for additional architectural services

and related expenditures for the World Trade Center Memorial Museum.

Ms. Papageorge reported on the scope of services that will be funded through this amendment and noted that the amendment is allocated through Partial Action Plan 11.

Following this presentation, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with Architects for the World Trade Center Memorial

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Davis Brody Bond LLP (with Peter Walker Partners Landscape Architecture Incorporated as subconsultant), for design services and related expenditures for the World Trade Center Memorial Museum, to increase the total authorized expenditures thereunder by an additional \$1,000,000 to an amount not to exceed \$39,740,116 in the aggregate for all agreements for the World Trade Center Memorial with each of the two aforementioned firms and with Handel Architects LLP for such services, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plan 11; 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.

* * *

Next, Ms. Papageorge presented a request for authorization for LMDC to amend its contract with URS Corporation - New York for construction management services. The amendment, she noted, would expand the scope of services under such agreement to include pre-construction management services for the World Trade Center Memorial and Cultural Program, including but not limited to the Memorial and related components. Ms. Papageorge noted that no additional funds were being requested.

Following Ms. Papageorge's full presentation, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with URS Corporation - New York

RESOLVED, that the Corporation is hereby authorized to amend its agreement with URS Corporation - New York, for construction management services, to expand the scope of services under such agreement to include pre-construction management services for the World Trade Center Memorial and Cultural Program, including but not limited to the Memorial and related components, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plans 8 and 11; 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.

* * *

Next, Mr. Plotch presented a request for authorization for LMDC to enter into a subrecipient agreement with the Port Authority of New York and New Jersey to provide funds for the Lower Manhattan Ferry Program. The funds to be provided, Mr. Plotch explained, will be used to start a new ferry service between Lower Manhattan and Yonkers. Mr. Plotch said that it's possible that a portion of the LMDC funds could also be allocated towards service from Rockland County to Lower Manhattan, if there are enough funds available and if the service is shown to be cost effective.

Following this presentation, Director Wils asked if there would be an RFP for the operator or if there was a proposed operator. Mr. Plotch explained that the RFP was issued by the Port Authority last fall and that a ferry operator has been recommended by the RFP panel. Mr. Plotch further stated that since the Port Authority has not yet begun negotiations with the ferry operator, he was not at liberty to say who the ferry operator is going to be.

During the general discussion regarding ferry service that

followed, Director Doctoroff stated his belief in the importance of ferry service as an alternative mode of transportation to Lower Manhattan.

There being no further questions or comments, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Lower Manhattan Ferry Program Subrecipient Agreement

RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with The Port Authority of New York and New Jersey to provide funds for the Lower Manhattan Ferry Program, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreement shall not exceed \$4,200,000, which expenditure shall be allocated from funds included in Partial Action Plan 10; 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.

* * *

Ms. Antikarov then asked the Directors to authorize LMDC to amend its agreement with Croxton Collaborative Architects P.C. for sustainable design review services and related expenditures for the Memorial and Cultural Development Program at the World

Trade Center site. Among other things, Ms. Antikarov noted that the additional \$150,000 will be funded through Partial Action Plan 8.

Following the presentation, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with Croxton Collaborative Architects P.C.

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Croxton Collaborative Architects P.C., for sustainable design review services and related expenditures for the Memorial and Cultural Development Program, to increase the authorized expenditures thereunder by an additional \$150,000 to an amount not to exceed \$400,000 in the aggregate and to extend the term of such agreement for an additional two-year period, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plan 8; 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.

* * *

Ms. Weisser then presented two requests - the first was for authorization for LMDC to enter into 13 subrecipient agreements for projects previously approved through the Cultural

Enhancement Funding Plan. Ms. Weisser explained that the total funding being requested at this meeting is \$4,802,000.

Ms. Weisser then went on to state the name, the amount of funding and a brief outline of the background of each of the 13 entities to receive funding.

Ms. Weisser added that as was the case with the five agreements approved at last month's meeting, the 13 agreements presented today represent projects that are ready to proceed and have sufficient funding to be realized.

The Chairman read the relevant portions of the resolution relating to Ms. Weisser's first request into the record and upon motion duly made and seconded, the following resolution was adopted (It was noted for the record the Directors Douglass, Rudin and Weisbrod recused themselves from voting with regard to the Alliance for Downtown portion of the following resolution and the Chairman recused himself from voting with regard to the Tribeca Film Institute portion of the following resolution.):

Authorization to Enter into Cultural Enhancement Funds
Subrecipient Agreements

RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with each of:

- (a) Alliance for Downtown New York d/b/a Downtown

Alliance for costs associated with the River to River Festival's "Arts on the Horizon" events for 2006-2009 in an amount not to exceed \$1,000,000;

(b) Art in General for costs associated with capital construction projects in an amount not to exceed \$150,000;

(c) Battery Park City Parks Conservancy for costs associated with Harmony on the Hudson events for 2006-2009 in an amount not to exceed \$42,000;

(d) Children's Museum of the Arts for costs associated with planning for a relocation in Lower Manhattan in an amount not to exceed \$100,000;

(e) Exhibitions International for costs associated with planning for the Museum of Industrial Design in Lower Manhattan in an amount not to exceed \$100,000;

(f) Home for Contemporary Theater d/b/a HERE Arts Center for costs associated with site acquisition in an amount not to exceed \$500,000;

(g) National Dance Institute for costs associated with planning for a relocation in Lower Manhattan in an amount not to exceed \$100,000;

(h) New Dance Alliance for costs associated with capital construction projects in an amount not to exceed \$25,000;

(i) New Museum of Contemporary Art for costs associated with architectural services in an amount not to exceed \$2,000,000;

(j) New York Classical Theatre for costs associated with a production of Friedrich Schiller's *Mary Stuart* in Lower Manhattan in an amount not to exceed \$25,000;

(k) Roulette Intermedium for costs associated with planning for a relocation in Lower Manhattan in an amount not to exceed \$80,000;

(l) Skyscraper Museum for costs associated with an exhibition on the design and construction of the World Trade Center in an amount not to exceed \$80,000; and

(m) Tribeca Film Institute for costs associated with the Tribeca Film Festival "Drive In" events for 2006-2009 in an amount not to exceed \$600,000;

as part of the Cultural Enhancement Fund grants, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreements shall not exceed \$4,802,000 in the aggregate, which expenditures shall be allocated from funds included in Partial Action Plan 11; 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.

* * *

Next, Ms. Weisser presented a request for LMDC to amend its agreement with Howard + Revis Design Services for additional interpretive planning services and related expenditures and to extend the term of the agreement through August 2006 in connection with the World Trade Center Memorial Museum.

The Chairman then read the resolution relating to Ms. Weisser's second request into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with Howard + Revis Design Services

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Howard + Revis Design Services, for interpretive planning services and related expenditures for the World Trade Center Memorial Museum, to increase the total authorized expenditures thereunder by an additional \$100,000 to an amount not to exceed \$1,590,000 in the aggregate, when combined with expenditures previously approved under such agreement and the Corporation's agreement with Lord Cultural Resources Planning & Management Inc. for such services and for institutional planning services, and to extend the term of such agreement through August 2006, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plan 8; 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.

* * *

Ms. Cardone then presented two items. First, she requested authorization for LMDC to amend its agreement with Bandujo Donker Brothers for advertising creative services and related expenditures for the Museums of Lower Manhattan Campaign.

Next, Ms. Cardone asked the Directors to authorize LMDC to amend its agreement with CTM Brochure Display, Inc. for distribution services for printed promotional materials and related expenditures for the Museums of Lower Manhattan Campaign.

Following Ms. Cardone's presentation of both items, the Chairman read the relevant resolutions into the record and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Authorization to Amend Contract with Bandujo Donker & Brothers

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Bandujo Donker & Brothers, for advertising creative services and related expenditures for the Museums of Lower Manhattan Campaign, to increase the authorized expenditures thereunder by an additional \$1,250,000 to an amount not to exceed \$3,391,841 in the aggregate and to extend the term of such agreement for an additional one-year period, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plan 3; 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.

* * *

Authorization to Amend Contract with CTM Brochure Display, Inc.

RESOLVED, that the Corporation is hereby authorized to amend its agreement with CTM Brochure Display, Inc., for distribution services for printed promotion materials and related expenditures for the Museums of Lower Manhattan Campaign, to increase the authorized expenditures thereunder by an additional \$27,300 to an amount not to exceed \$91,815 in the aggregate and to extend the term of such agreement for an additional one-year period, as described in the materials

presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plan 3; 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.

* * *

Following approval of the two preceding resolutions, Director Wils inquired as to the attendance numbers for various years and Ms. Cardone provided her with those figures.

Next, Mr. Miller presented a request for authorization for LMDC to amend its contract with Grant Thornton LLP for auditing services and related expenditures to provide for auditing services for the fiscal year ending March 31, 2006.

Following this presentation, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

* * *

Authorization to Amend Contract with Grant Thornton LLP

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Grant Thornton LLP, for auditing services and related expenditures, to provide for auditing

services for the fiscal year ending March 31, 2006 by increasing the authorized expenditures thereunder by an additional \$110,250 and extending the term of such agreement for an additional one-year period (\$290,000 having been approved previously for auditing services for the three years ended March 31, 2005), as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in the Finance Department's budget for the fiscal year ending March 31, 2007; 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.

* * *

There being no further business, the meeting was adjourned at 9:16 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary