

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

July 19, 2006

MINUTES

In Attendance

Directors:

Kevin Rampe, Chairman
Lawrence T. Babbio (via telephone)
Robert Balachandran
Amanda M. Burden
Daniel L. Doctoroff
Robert Douglass
Robert M. Harding
Thomas Johnson
James K. Kallstrom
Edward J. Malloy (via telephone)
William C. Rudin
Martha E. Stark
Carl B. Weisbrod
Madelyn Wils (via telephone)

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
Irene Chang, General Counsel
Dan Ciniello, Senior Vice President - Operations
Valerie Corbett, Senior Vice President - Projects and Programs
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
Amy Weisser, Assistant Vice President -
Memorial, Cultural and Civic Programs
Andrew Wu, Deputy General Counsel

Other Staff

For Governor Pataki:

Doug Blais

**For the Lower Manhattan Construction Command
Center:**

Daniel McCormack, First Deputy Executive
Director

**For the U.S Department of Housing and Urban
Development:**

Nelson R. Bregon, General Deputy Assistant
Secretary - Office of Community Planning &
Development
Anna Maria Faria, Esq., Deputy Assistant
Secretary - Office of Community Planning &
Development

Also Present:

The Public
The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:09 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 June 7, 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 JUNE 7, 2006 MEETING OF THE DIRECTORS OF THE LOWER
MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on June 7, 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.

* * *

Chairman Rampe opened his report by speaking about two important events that occurred with regard to the Memorial since the last Directors' meeting. He added that both will ensure the completion of the Memorial in a timely fashion.

First, the Chairman explained that the Memorial Foundation launched its National Fundraising Campaign. The Chairman urged everyone to join him in contributing to this effort. Second, the Chairman explained that the Port Authority has agreed to

build the Memorial.

Before closing his report, the Chairman mentioned the opening of the West Street Promenade South and the groundbreaking of Segment Three of Hudson River Park as two steps that were recently taken towards the improvement of quality of life in Lower Manhattan.

Mr. Pryor began his report by welcoming Nelson Bregon and Anna Maria Farias, both from HUD, to the meeting.

Mr. Pryor then provided a brief synopsis of the items to be considered at the meeting.

Next, Director Johnson provided the Audit and Finance report. Director Johnson opened by stating that the Committee reviewed the purpose, cost justification, and availability of funds in connection with the funding resolutions on today's agenda and based upon same, the Committee recommended the approval of those resolutions.

Director Johnson further noted that some of the resolutions being considered today reflect the Committee's request that costs be further negotiated and reduced.

Next, Mr. Pryor asked the Directors to authorize LMDC to amend Partial Action Plans 8, 11, and 12 and to amend the Subrecipient Agreement with the World Trade Center Memorial Foundation, Inc.

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 Partial Action Plans 8, 11 and 12 and to Amend Subrecipient Agreement with The World Trade Center Memorial Foundation, Inc.

RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plans 8, 11 and 12 (the "Amended Partial Action Plans"), as described in the materials presented to this meeting; and be it

FURTHER 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) the Amended Partial Action Plans; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee shall be authorized to make such changes to the Amended Partial Action Plans as he may deem necessary or appropriate to comport with applicable HUD requirements and to reflect public comments received thereon, and to take such other actions as may be necessary or appropriate to effect the two foregoing resolutions; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with The World Trade Center Memorial Foundation, Inc. for costs related to the design, development and construction of the Memorial and Memorial Museum, to increase the authorized expenditures thereunder by an

additional \$75,000,000 to an amount not to exceed \$250,000,000 in the aggregate, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved in the preceding resolution shall be allocated from the Amended Partial Action Plans; 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 two foregoing resolutions.

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Next, Ms. Papageorge presented a request for authorization for LMDC to amend its contract with the architects for the World Trade Center Memorial.

Ms. Papageorge then asked the Directors to authorize LMDC to amend its contract with the architects for the World Trade Center Memorial Museum.

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

Authorization to Amend Contracts with Architects for World Trade Center Memorial

RESOLVED, that the Corporation is hereby authorized to amend its agreements with Davis Brody Bond LLP, Handel Architects and Peter Walker Partners Landscape Architecture Incorporated for design services and related expenditures for the World Trade Center Memorial, to increase the total authorized expenditures thereunder by an additional \$8,365,500 to an amount not to exceed \$48,105,616 in the aggregate, 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 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.

* * *

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

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Davis Brody Bond LLP for architectural services relating to the further study and design of the World Trade Center Memorial Museum, to increase the total authorized expenditures thereunder by an additional \$2,344,000 to an amount not to exceed \$18,277,808 in the aggregate, when combined with expenditures previously approved under such agreement and the Corporation's agreement with Snohetta, A.S. for such services, 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 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.

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Ms. Papageorge then presented a request for authorization for LMDC to amend its contract with Bovis Lend Lease for the 130 Liberty Street Deconstruction.

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

Authorization to Amend Contract with Bovis Lend Lease for
130 Liberty Street Deconstruction

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Bovis Lend Lease for the cleaning and deconstruction of 130 Liberty Street, to increase the authorized expenditures thereunder by an additional \$1,500,000 to an amount not to exceed \$82,389,000 thereunder, 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 Partial Action Plan 7 and from the recovery or reimbursement of such costs under the 130 Liberty Street Memorandum of Understanding with Deutsche Bank and its insurers of 130 Liberty Street, Allianz and AXA, and the Deconstruction Funding and Settlement Agreement with Allianz and AXA; 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 a request for authorization for LMDC to enter into four subrecipient agreements for projects

previously approved through the Cultural Enhancement Funding Plan. Ms. Weisser then went on to state the name, the amount of funding and a brief outline of the background of each of the four entities to receive funding.

Ms. Weisser added that the four agreements presented today represent projects that are ready to proceed and have sufficient funding to be realized.

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

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) Bang on a Can for costs associated with the annual production of the Bang on a Can Marathon in Lower Manhattan for three years (2007-09) in an amount not to exceed \$240,000;

(b) City Lore for costs associated with planning efforts to create the Center for Art, Tradition, and Cultural Heritage (CATCH) in an amount not to exceed \$100,000;

(c) New York City Opera for costs associated with an arts-in-education program at the High School of Economics and Finance in an amount not to exceed \$50,000; and

(d) Open Channels for costs associated with

construction and fit-out of a new theater space in Lower Manhattan in an amount not to exceed \$500,000;

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

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreements shall not exceed \$890,000 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 contracts with Lord Cultural Resources and Howard + Revis Design for institutional and interpretive planning services and related expenses for the World Trade Center Memorial Museum.

The Chairman 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 Contracts with Lord Cultural Resources Planning and Management, Inc. and Howard + Revis Design Services for World Trade Center Memorial Museum

RESOLVED, that the Corporation is hereby authorized to amend its agreements with Lord Cultural Resources Planning and Management, Inc. ("Lord Cultural Resources") and Howard + Revis Design Services ("Howard + Revis") for institutional and interpretive planning services and related expenditures for the

World Trade Center Memorial Museum, to extend the terms of such agreements through December 31, 2006 and to increase the authorized expenditures under the agreement with Lord Cultural Resources by an additional \$50,000 to an amount not to exceed \$1,640,000 in the aggregate, when combined with expenditures previously approved under such agreement and the Corporation's agreement with Howard + Revis for related services, 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 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.

* * *

Mr. Haberman then presented a request for authorization for LMDC to enter into a subrecipient agreement with the City of New York, acting through its Department of Housing Preservation and Development, to provide funding for the Affordable Housing Program at Masaryk Towers.

Following Mr. Haberman's 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 Enter into Masaryk Towers Subrecipient Agreement

RESOLVED, that the Corporation is hereby authorized to

enter into a subrecipient agreement with The City of New York, acting through its Department of Housing Preservation and Development, to provide funding for the Affordable Housing Program at Masaryk Towers, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation pursuant to such subrecipient agreement shall not exceed \$6,000,000 in the aggregate, which expenditure shall be allocated from funds included in Partial Action Plan 6; 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.

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Next, Mr. Wu presented two items relating to LMDC's legal services. The first was a request for authorization for LMDC to amend its contract with Weil, Gotshal & Manges LLP and the second was for authorization for LMDC to amend its contract with LeBoeuf, Lamb, Greene and MacRae LLP.

Following these presentations, the Chairman read the relevant resolutions into the record and upon motions duly made and seconded, the following resolutions were unanimously adopted:

Authorization to Amend Contract with Weil, Gotshal & Manges LLP

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Weil, Gotshal & Manges LLP for legal

services related to the World Trade Center Memorial and Redevelopment Plan, to extend the term of such agreement through December 31, 2007, as described in the materials presented to this meeting; 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 LeBoeuf, Lamb, Greene & MacRae LLP

RESOLVED, that the Corporation is hereby authorized to amend its agreement with LeBoeuf, Lamb, Greene & MacRae LLP for legal services related to environmental, land use and real estate matters, to increase the authorized expenditures thereunder by an additional \$1,000,000.00 to an amount not to exceed \$4,935,202.19 thereunder and to extend the term of such agreement for an additional one-year period through August 31, 2007, 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 appropriate Partial Action Plans, as well as the Legal Department's 2006-2007 planning and administration budget; 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.

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Mr. Maikish provided an informational presentation entitled "This is 2010" which included a five minute video.

There being no further business, the meeting was adjourned

at 8:54 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary