

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

August 9, 2006

MINUTES

In Attendance

Directors:

Kevin M. Rampe, Chairman
Robert P. Balachandran
Amanda M. Burden (via telephone)
Daniel L. Doctoroff
Robert Douglass (via telephone)
Robert M. Harding
Thomas S. Johnson (via telephone)
Edward J. Malloy
William C. Rudin (via telephone)
Joshua Sirefman
Martha E. Stark
Carl B. Weisbrod

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
Michael Haberman, Vice President - Community Development and Relations
Robert Miller, Chief Financial Officer
Anne Papageorge, Senior Vice President - Memorial and Cultural Development
Kori-Ann Taylor, Director of Communications
Amy Weisser, Assistant Vice President - Memorial, Cultural and Civic Programs

Andrew Wu, Deputy General Counsel

Other Staff

Counsel to the Board:

Joel Moser, Esq., Fulbright & Jaworski

For Governor Pataki:

Doug Blais

For the Lower Manhattan Construction Command Center:

Charles Maikish, Executive Director

For Speaker Sheldon Silver:

Judy Rapfogel, Chief of Staff

Also Present:

The Public
The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:04 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 30, 2006 and July 19, 2006 Directors' Meetings.

There being no comments or corrections, upon motion duly made and seconded, the following resolutions were unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT
THE JUNE 30, 2006 MEETING OF THE DIRECTORS OF THE LOWER
MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on June 30, 2006 as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meetings, as set forth in such minutes, are hereby in all respects and approved as actions of the Corporation.

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT
THE JULY 19, 2006 MEETING OF THE DIRECTORS OF THE LOWER
MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on July 19, 2006, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meetings, as set forth in such minutes, are hereby in all respects and approved as actions of the Corporation.

* * *

Chairman Rampe opened his report by explaining that LMDC staff is developing and implementing a transition plan in coordination with its rebuilding partners that is orderly and complete.

Chairman Rampe continued that LMDC will finalize its transfer and its planning efforts, and ensure that an appropriate and comprehensive monitoring system remains in place to regulate HUD funds and programs. Chairman Rampe added that staff will work with the Audit Committee to ensure that the Board remains fully informed and involved.

Chairman Rampe then noted that the appropriate steps are being taken to ensure that the transition is as orderly for the LMDC staff as it is for the programs.

Chairman Rampe then read a letter from LMDC's former Chairman John Whitehead to the staff expressing appreciation to the staff and voicing praise for their diligent and sensitive work.

Mr. Pryor began his report by echoing Chairman Rampe and former Chairman Whitehead's sentiments regarding the transition of LMDC's project's and functions to its partner agencies and organizations.

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 then referred briefly to the two reports provided to the Directors - those reports being the Planning and Administration Budget Variance Report and the HUD Funding Report.

Next, Ms. Papageorge asked the Directors to authorize LMDC to amend its contracts David Brody Bond LLP, Handel Architects, and Peter Walker Partners Landscape Architects Incorporated for design services and related expenditures for the World Trade Center Memorial.

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 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 \$1,499,280 to an amount not to exceed \$49,604,896 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 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.

* * *

Ms. Weisser then presented a request for authorization for LMDC to enter into seven subrecipient agreements for projects previously approved through the Cultural Enhancement Funding Plan. Ms. Weisser added that the seven agreements presented today represent projects that are ready to proceed.

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

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 adopted (It was noted for the

record that Director Harding recused himself from voting on the Manhattan Youth portion of the following resolution and that Director Weisbrod recused himself from voting on the New York Scandia Symphony 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) Culture Project for costs associated with dance performances in Lower Manhattan at the first annual Impact Festival in 2006 in an amount not to exceed \$50,000;

(b) H.T. Dance Company, Inc. for costs associated with upgrading multi-media audio-visual and lighting equipment at its Lower Manhattan facility in an amount not to exceed \$50,000;

(c) Judd Foundation for costs associated with restoration and improving public accessibility of its Lower Manhattan facility in an amount not to exceed \$250,000;

(d) Manhattan Youth Recreation and Resources, Inc. for costs associated with construction of arts and cultural activity spaces in its new community center in Lower Manhattan in an amount not to exceed \$400,000, which funds shall be used to match amounts raised for the community center from other sources;

(e) Museum of American Finance for costs associated with design and fit-out of a new facility in Lower Manhattan in an amount not to exceed \$1,000,000, which funds shall be used to match amounts raised for the new facility from other sources;

(f) National Parks New York Harbor Conservancy for costs associated with rehabilitation and renovation of Federal Hall National Memorial in Lower Manhattan for the National Archives Vaults of the National Archives and Records Administration in an amount not to exceed

\$1,500,000; and

(g) The New York Scandia Symphony for costs associated with a series of free public concerts (October 2006 - June 2007) in Lower Manhattan in an amount not to exceed \$45,000 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 \$3,295,000 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, Mr. Haberman presented a request for LMDC to enter into a subrecipient agreement with the New York City Department of Parks and Recreation on behalf of the Battery Conservancy for services relating to the construction of the Battery Carousel.

Following Mr. Haberman's presentation of the specifics of this request, the Chairman read the resolution relating to this request into the record and upon motion duly made and seconded, the following resolution was adopted (It was noted for the record that Director Rudin recused himself from voting on the following resolution.):

Authorization to Enter into Battery Carousel 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 Parks and Recreation, on behalf of the Battery Conservancy, to provide funding for the construction of the Battery Carousel, 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 \$1,000,000 in the aggregate, which expenditure shall be allocated from funds included in Partial Action Plan 4 and, as part of the Cultural Enhancement Fund grants, in Partial Action Plan 11; and be it

FURTHER RESOLVED, that the expenditure amount allocated from funds included as part of the Cultural Enhancement Fund grants in Partial Action Plan 11 shall be used to match amounts raised for the Battery Carousel from other sources; 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. Miller then presented two separate requests for authorization for LMDC to amend two of its business contracts. Mr. Miller noted that both amendments represent extensions of time on the contracts and involve no additional funding.

The first request was to extend LMDC's contract with Kroll Associates through March 31, 2007 for services relating to background investigation for entities seeking to do business with LMDC.

The next request was for an extension of LMDC's contract with ABC Printing through March 31, 2007 to continue their services printing newsletter, bound reports, booklets, postcards and outdoor and indoor signage.

Following Mr. Miller's presentation of both items, the Chairman read the resolution relating to his first request into the record, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with Kroll Associates

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Kroll Associates for background investigation services for entities seeking to do business with the Corporation, to extend the term of such agreement through March 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.

* * *

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

Authorization to Amend Contracts for Printing Services

RESOLVED, that the Corporation is hereby authorized to amend its agreements with Duggal Visual Solutions, Inc., Graphic Technology, Inc., GM Printing and ABC Printing for printing services, to extend the term of such agreements through March 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.

* * *

Mr. Pryor then presented the final item on the Agenda which was a request for authorization for LMDC to expend up to \$100,000 for expenses related to the transition of the Corporation's functions.

Among other things, Mr. Pryor explained that these expenses may include human resources support, consulting services, and potential legal and financial expenses not covered under authorized contracts.

Following Mr. Pryor's presentation, the Chairman read the related resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Expend Funds for Transition Expenses

RESOLVED, that the Corporation is hereby authorized to expend up to \$100,000 in the aggregate for expenses relating to the transition of the Corporation's functions, including without limitation human resource, legal and financial expenses and 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 for planning and administration in the Corporation's annual budget for 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 8:30 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary