

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

October 12, 2006

MINUTES

In Attendance

Directors:

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

Staff Attending:

For Lower Manhattan Development Corporation:

Allison Bailey, Secretary of the Corporation
Irene Chang, General Counsel
Dan Ciniello, Senior Vice President - Operations
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 Developme
Kori-Ann Taylor, Director of Communications
Amy Weisser, Assistant Vice President - Memorial, Cultural and Civic Programs

Other Staff

Counsel to the Board:

Joel Moser, Esq., Fulbright & Jaworski

For Speaker Sheldon Silver:

Judy Rapfogel

For Governor Pataki:

Doug Blais

For the Lower Manhattan Construction Command Center:

Charles Maikish, Executive Director
Daniel McCormack, First Deputy Executive Director
Josh Rosenbloom, Director of City Operations
Vincenza A. Restiano, Director of Opportunity Downtown Programs
Deborah Wetzell, Public Affairs

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 September 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 SEPTEMBER 7, 2006 MEETING OF THE DIRECTORS OF THE LOWER
MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on September 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 highlighting certain events that have occurred since the last Directors' meeting.

First, he offered congratulations to the Governor and the Mayor on their recent appointments as Honorary Chairman and Chairman respectively of the Memorial Foundation.

Next, the Chairman noted that the steel for the Freedom Tower has arrived from Luxemburg and that a commitment has been secured from the State and Federal governments to occupy one million square feet of the Tower.

Last, the Chairman noted that Cushman & Wakefield, in their quarterly report, stated that the vacancy rate for the Manhattan office market has reached its lowest level since before September 11th.

Chairman Rampe then provided a brief outline of the funding items on the Agenda.

Before ending his report, the Chairman noted that the following day was Ms. Papageorge's last day at LMDC. The Chairman expressed his appreciation to Ms. Papageorge, stating that her work is a testament to the quality of the personnel that LMDC has been able to attract to assist the Corporation in moving forward with its mission.

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 five financial resolutions on today's agenda and based upon same, the Committee recommends the approval of those resolutions.

Director Johnson further noted that the Committee held a

private audit session with LMDC's internal auditor. Director Johnson explained that the auditor has been working to modify his audit plan to fit LMDC's present circumstances. Director Johnson stated that the Committee is confident that the auditor is proceeding in the right direction.

Before calling upon Ms. Weisser to present her request, the Chairman noted that the 13 subrecipient agreements to be presented for consideration today represent the last of LMDC's Cultural Enhancement authorizations for Phase I of that program.

Ms. Weisser then presented a request for authorization for LMDC to enter into 13 subrecipient agreements for projects previously approved through the Cultural Enhancement Funding Plan. Ms. Weisser provided the name and the amount of funding to be provided to each of the 13 entities.

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) Artists Space for costs associated with planning for a relocation in Lower Manhattan in an amount not to exceed \$100,000;

(b) Asian Americans for Equality, Inc. (AAFE) for costs associated with planning and pre-design for Phase II of the Chinatown Asian American Arts and Cultural Center in an amount not to exceed \$140,000;

(c) Church Street School for Music and Art for costs associated with site preparation and installation of classrooms at 72 Warren Street in an amount not to exceed \$400,000;

(d) Educational Alliance for soft costs associated with renovation of its Art School or expansion and renovation of its entire building at 197 East Broadway in an amount not to exceed \$400,000;

(e) Henry Street Settlement for costs associated with capital improvements to the Abrons Arts Center in Lower Manhattan in an amount not to exceed \$1,000,000, which funds shall be used to match amounts raised for the project from other sources;

(f) Lower East Side Tenement Museum for costs associated with planning for three new exhibitions, An Irish Family in America, Schneider's Saloon and Courtyard, at its facility in Lower Manhattan in an amount not to exceed \$1,000,000;

(g) Moving Image d/b/a Film Forum for costs associated with planning for the acquisition and renovation of auxiliary office space near its screening facilities in Lower Manhattan in an amount not to exceed \$100,000;

(h) New York Chinese Cultural Center, Inc. for costs associated with renovation and reconfiguration of its teaching and performing arts space in Lower Manhattan in an amount not to exceed \$150,000;

(i) Pace University for costs associated with renovation of the theater at the Schimmel Center for the Arts in Lower Manhattan in an amount not to exceed \$500,000, which funds shall be used in conjunction with supplemental partial match amounts raised for the project from other sources;

(j) Society of the Educational Arts, Inc. for costs associated with equipping either its current theater or a potential larger theater at its facility in Lower Manhattan in an amount not to exceed \$200,000;

(k) Soho Repertory Theater for costs associated with planning for a renovation of its current theater or a relocation to a new facility in Lower Manhattan in an amount not to exceed \$100,000;

(l) Sons of the Revolution in the State of New York, Inc./Fraunces Tavern Museum for costs associated with planning and remedial measures related to the rehabilitation and replacement of the HVAC system at its facility in Lower Manhattan in an amount not to exceed \$55,000; and

(m) Wall Street Rising for costs associated with a series of free public concerts at the Music Downtown festival in Lower Manhattan in 2007 and 2009 in an amount not to exceed \$200,000 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 \$4,345,000 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.

* * *

Ms. Weisser then presented the background information regarding a request for authorization for LMDC to amend its contract with Amy Stursberg for additional consulting services related to the Cultural Enhancement Fund.

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 Amy Stursberg

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Amy Stursberg for consulting services and related expenditures, to increase the total authorized expenditures thereunder by an additional \$50,000 to an amount not to exceed \$100,000 in the aggregate, and 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 expenditures approved hereby shall be allocated from funds included in the appropriate project-related partial or final 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 foregoing.

* * *

Mr. Haberman then presented the background information with regard to a request for authorization for LMDC to amend its contract with Whirlwind Creative for exhibition and related services in connection with LMDC's public exhibit at the Winter Garden.

Following Mr. Haberman's presentation of the specifics of this request, 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 Whirlwind Creative

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Whirlwind Creative for exhibition services and related expenditures, to increase the total authorized expenditures thereunder by an additional \$20,000 to an amount not to exceed \$778,000 in the aggregate, and to extend the term of such agreement through September 30, 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 for planning and administration in the Corporation's annual budget for the fiscal year ending March 31, 2007 or in the appropriate project-related partial or final 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 foregoing.

* * *

Mr. Ciniello then presented a request for authorization for LMDC to amend its contract with Stier Anderson LLC. for integrity monitoring services.

Among other things, Mr. Ciniello noted that the services are performed on an as needed basis and that the funds are provided for in Partial Action Plan 7.

Following Mr. Ciniello'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 Stier Anderson LLC

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Stier Anderson LLC for integrity monitoring services and related expenditures, to increase the total authorized expenditures thereunder by an additional \$855,000 to an amount not to exceed \$1,855,000 in the aggregate, and to extend the term of such agreement through November 30, 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 Partial Action Plan 7; 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. Chang asked the Directors to authorize LMDC to amend its contracts for environmental testing and consulting services.

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 for Environmental Testing

and Consulting Services

RESOLVED, that the Corporation is hereby authorized to amend its agreements with AKRF, Inc., BEM Systems, GZA GeoEnvironmental Inc., LiRo Engineers and TRC Engineers, Inc. for environmental testing and consulting services and related expenditures, to increase the total authorized expenditures thereunder by an additional \$5,000,000 in the aggregate to an amount not to exceed \$16,005,721 in the aggregate, and to extend the terms of such agreements for an additional one-year period, 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 project-related partial or final 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 foregoing.

* * *

Ms. Chang then asked the Directors to approve the Draft Environmental Impact Statement for the East River Waterfront Piers Project. The Directors were also asked to approve the Draft Programmatic Agreement prepared pursuant to the National Historic Preservation Act and to authorize public review of both documents.

Following Ms. Chang's presentation, the Chairman noted that the Directors had received the written resolutions prior to the meeting and therefore he would read only the title of the relevant resolutions into the record and upon motion duly made

and seconded, the following resolutions were unanimously adopted:

Approval of the Draft Environmental Impact Statement for the East River Waterfront and Piers Project; Approval of the Draft Programmatic Agreement Prepared Pursuant to the National Historic Preservation Act; Authorization of Public Review [PROPOSED RESOLUTIONS WERE INCLUDED IN MATERIALS PROVIDED TO THE BOARD IN ADVANCE OF THE MEETING]

RESOLVED, that on the basis of the materials presented to this meeting, copies of which are hereby ordered filed with the records of the Corporation, the Corporation hereby approves the Draft Environmental Impact Statement (DEIS) for the East River Waterfront Esplanade and Piers Project (Esplanade Project) in the form submitted at this meeting and finds that the DEIS meets the requirements of the National Environmental Policy Act (NEPA) and other applicable laws and regulations and is adequate for the purposes of public review; and be it

FURTHER RESOLVED, that the Senior Vice President of Operations, General Counsel, and/or Chief Financial Officer of the Corporation or their designee(s) is hereby authorized to take such action as deemed necessary or appropriate in connection with holding hearings pursuant to NEPA and other applicable laws, including for the purposes of soliciting public comments on the DEIS; including without limitation, approving, filing or making available copies of the DEIS and/or digests thereof, fixing the date for and holding such hearings, publishing notices related to the DEIS and such hearings; and be it

FURTHER RESOLVED, that on the basis of the materials presented to this meeting, copies of which are hereby ordered filed with the records of the Corporation, the Corporation hereby approves the draft Programmatic Agreement for the Esplanade Project prepared pursuant to Section 106 of the National Historic Preservation Act and determines that the draft Programmatic Agreement is adequate for the purposes of public review, which may be coordinated with the NEPA review process; and be it

FURTHER RESOLVED, that the Senior Vice President of Operations, General Counsel, and/or Chief Financial Officer of

the Corporation or their designee(s) is hereby authorized to execute and deliver any and all documents and take all related actions as he or she may in his or her sole discretion consider necessary or appropriate to effectuate the foregoing resolutions.

* * *

Last, Ms. Chang asked the Directors to confirm a Finding of No Significant Impact and a Determination of Non-Significance for Refinements to the World Trade Center Memorial and Redevelopment Plan.

Following this presentation, the Chairman again noted that the Directors had received the written resolutions prior to the meeting and therefore he would only read the title of the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Confirmation of Finding of No Significant Impact and
Determination of Non-Significance for Refinements to the
World Trade Center Memorial and Redevelopment Plan
[PROPOSED RESOLUTIONS WERE INCLUDED IN MATERIALS PROVIDED
TO THE BOARD IN ADVANCE OF THE MEETING]

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 proposed further refinements ("Refinements") to the World Trade Center Memorial and Redevelopment Plan, the Corporation hereby confirms the Finding of No Significant Impact ("FONSI") under the National Environmental Policy Act ("NEPA") and Declaration of Non-Significance ("Determination") under the State Environmental Quality Review Act ("SEQRA") in the forms previously submitted to this Board at its meeting on September 7, 2006, copies of

which are hereby ordered filed with the records of the Corporation, and finds that the Environmental Assessment ("EA"), FONSI, and Determination meet the requirements of NEPA and SEQRA, respectively, and other applicable laws, and determines that the Refinements will not have a significant impact on the quality of the human environment or a significant adverse environmental impact not already analyzed and disclosed in the Final Generic Environmental Impact Statement for the World Trade Center Memorial and Redevelopment Plan; and be it

FURTHER RESOLVED, that the Senior Vice President of Operations, General Counsel, and/or Chief Financial Officer of the Corporation or their designee(s) be, and each of them hereby is, authorized to take all such action as deemed necessary or appropriate in connection with the environmental review of the Refinements pursuant to NEPA or SEQRA, including, without limitation: providing, filing or making available copies of all relevant documents or digests thereof in accordance with applicable law.

* * *

There being no further business, the meeting was adjourned at 8:31 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary