

**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

February 14, 2007

**MINUTES**

**In Attendance**

**Directors:**

Kevin Rampe, Chairman  
Robert Balachandran  
William C. Rudin  
Carl B. Weisbrod

**(via telephone)**

Robert Douglass  
Robert Harding  
Thomas Johnson  
James Kallstrom  
Edward J. Malloy  
Joshua Sirefman  
Martha E. Stark  
Madelyn Wils

**Staff Attending:**

**For Lower Manhattan Development Corporation:**

Irene Chang, General Counsel and Secretary  
of the Corporation  
Daniel Ciniello, Senior Vice President -  
Operation  
Eileen McEvoy, Assistant Secretary  
Robert Miller, Chief Financial Officer

Other Staff

**Counsel to the Board:**

Elizabeth Condren, Esq., Fulbright & Jaworski

**For Speaker Sheldon Silver:**

Judy Rapfogel

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

Charles Maikish, Executive Director  
Daniel McCormack, First Deputy Director  
Robert Harvey

**For Empire State Development Corporation:**

Avi Schick - Downstate President and Chief  
Operating Officer Designee

**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 December 18, 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 DECEMBER 18, 2006 MEETING OF THE DIRECTORS OF THE LOWER MANHATTAN DEVELOPMENT CORPORATION

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RESOLVED, that the minutes of the meeting of the Corporation held on December 18, 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 then asked Director Johnson to provide the Audit and Finance Report. Director Johnson opened the report by stating that the Committee met twice since the last Directors' meeting. First, to review the HUD action plan resolution and the other financial resolutions on today's agenda and after considering the purpose, the cost justification and availability of funding for these projects, the Committee recommends the approval of those resolutions.

The second meeting, Director Johnson explained, allowed for a careful discussion of the nuances of how the increases in the cost of the deconstruction of 130 Liberty affect the overall financial plan. He noted that the Committee is satisfied with the approach being taken and recommends that the Board go forward on that basis.

Lastly, Director Johnson noted that in accordance with LMDC's Emergency Authorization Procedure, the Committee's Chairmen were notified and concurred with three small contract amendments that were acted on in January and are being considered for ratification by the Board today.

Chairman Rampe then called upon Irene Chang to present an item relating to the affirmation of the General Project Plan for the World Trade Center Memorial and Cultural Program and the related Record of Decision and Finding Statement for same.

Ms. Chang provided a detailed synopsis, which included a powerpoint presentation, of the actions taken thus far in connection with the afore-mentioned General Project Plan.

Ms. Chang further provided a detailed analysis of the reasons for the present requests in that regard. Following Ms. Chang's presentation, Chairman Rampe noted that he would read only the heading of the resolutions into the record as the Directors had been provided with the materials and related resolutions prior to the Directors' meeting.

Following this recitation, the Chairman called for questions or comments. Hearing none and upon motion duly made

and seconded, the following resolution was unanimously adopted:

Approval of Technical Memorandum Analyzing Environmental Impacts of Amendments to the General Project Plan for the WTC Memorial and Cultural Program and Addendum to the Record of Decision for the WTC Memorial and Redevelopment Plan; Affirmation of the Amendments to the General Project Plan for the WTC Memorial And Cultural Program; Override of Certain Provisions of the New York City Official City Map, Uniform Land Use Review Procedure, Zoning Resolution, and Other Local Laws; Adoption of Addendum to the Record of Decision and Findings for the WTC Memorial and Redevelopment Plan

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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 "Materials"), the Corporation hereby approves the Technical Memorandum dated February 7, 2007 ("Technical Memorandum") analyzing the proposed amendments adopted by the Corporation on November 9, 2006 ("Proposed GPP Amendments") to the General Project Plan for the World Trade Center Memorial and Cultural Program ("GPP") and proposed Addendum D-1 ("ROD Addendum") to Appendix D of the Record of Decision ("ROD") for the World Trade Center Memorial and Redevelopment Plan (the "Approved Plan"); and finds that (a) the Technical Memorandum meets the requirements of the National Environmental Policy Act ("NEPA") and the State Environmental Quality Review Act ("SEQRA") and other applicable laws and regulations; and (b) the Proposed GPP Amendments and ROD Addendum will not, either individually or cumulatively, 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 ("FGEIS") dated April 2004 for the Approved Plan or in prior environmental assessments and technical memoranda and, accordingly, do not require a supplement to the FGEIS; and be it

FURTHER RESOLVED, that, on the basis of the Materials, the Corporation hereby reaffirms the Land Use Improvement Project, Civic Project and Project findings made by the Corporation for the Project on June 2, 2004 pursuant to Sections 10(c)(1), (2) and (3), (d)(1), (2), (3), and (4) and (g) of the New York State Urban Development Corporation Act ("UDC Act"); and be it

FURTHER RESOLVED, that pursuant to Section 16 of the UDC Act, after due consideration of (1) the testimony given and comments received at the public hearings on December 13, 2006

concerning the Proposed GPP Amendments; (2) the entire record of those hearings; (3) all written comments received prior to the closing of the comment period on the Proposed GPP Amendments on January 12, 2007; and (4) the Technical Memorandum, the Corporation hereby affirms the Proposed GPP Amendments and finds that the General Project Plan meets the requirements of the UDC Act; and be it

FURTHER RESOLVED, that, in connection with the Proposed GPP Amendments, the Corporation hereby finds, pursuant to Section 16(3) of the UDC Act, that it is not feasible or practicable for the project or the actions contemplated therein to be in conformance with the New York City Official City Map or subject to the Uniform Land Use Review Procedure, including Sections 197-c, 197-d, 198 and 199 of the New York City Charter, or the Zoning Resolution of the City of New York or other local law, provided, however, that the project will be built in compliance with applicable New York City Building Code requirements; and be it

FURTHER RESOLVED, on the basis of the Materials, and after due consideration of the Technical Memorandum, the Corporation hereby adopts the ROD Addendum in the form submitted to this meeting, a copy of which ROD Addendum is hereby ordered filed with the records of the Corporation; and be it

FURTHER RESOLVED, that the Chairman, Senior Vice President of Operations, General Counsel, and Chief Financial Officer of the Corporation or their designee(s) be, and each of them hereby is, authorized to execute and deliver any and all documents and take all related actions as such officer may in his or her sole discretion consider necessary or appropriate to effectuate the foregoing resolutions.

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The Chairman then presented a request for funding for additional costs associated with the 130 Liberty Street deconstruction. Following this presentation of the specifics of this request, the Chairman read the relative resolution into the record. The Chairman then called for any questions or comments with regard to the request. Director Malloy asked for

verification that he is correct in his interpretation that this action will allow for the job to be finished without disruption or delays and further that any money issues will be resolved after the job has been completed. Chairman Rampe stated that that was correct.

There being no further questions or comments, upon motion duly made and seconded, the following resolution was adopted (It was noted for the record that Director Harding recused himself from voting with regard to the following resolution.):

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

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RESOLVED, that the Corporation is hereby authorized to amend or supplement its agreement with Bovis Lend Lease for the cleaning and deconstruction of 130 Liberty Street, to increase the authorized expenditures thereunder by an additional \$30,000,000 to an amount not to exceed \$129,000,000 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 7, as amended, 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.

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The Chairman then asked Mr. Harvey to present three items relating to 130 Liberty Street.

First, Mr. Harvey presented the background information with regard to a request to authorize LMDC to amend its contract with URS Corporation for construction management services.

Following this presentation, the Chairman read the relevant resolution into the record. The Chairman then called for questions or comments with regard to this request. Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with URS Corporation

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with URS Corporation for construction management services, to increase the authorized expenditures thereunder by an additional \$2,987,084 to an amount not to exceed \$12,020,017 in the aggregate, and to extend the term of such agreement through April 2008, 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.

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The Directors were then asked by Mr. Harvey to authorize

LMDC to amend its contract with TRC Engineers, Inc. for environmental testing and consulting services.

Following Mr. Harvey's detailed presentation of the specifics of this request, the Chairman read the relevant resolution into the record and called for questions or comments with regard to same. Hearing no questions or comments and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with TRC Engineers, Inc.

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with TRC Engineers, Inc. for environmental testing and consulting services, to expand the scope of services thereunder, to increase the authorized expenditures thereunder by an additional \$5,450,000, to an amount not to exceed \$21,455,721 in the aggregate for all agreements for environmental testing and consulting services and related expenditures with the aforementioned firm and AKRF, Inc., BEM Systems, GZA GeoEnvironmental Inc. and LiRo Engineers, and to extend the term of such agreement through December 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 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.

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Mr. Harvey then asked the Directors to authorize LMDC to amend its contract with Regional Scaffolding and Hoisting Company, Inc. to extend the contract and to add an amount not to exceed \$1,587,580.

Among other things, Mr. Harvey explained that funding for the contract amendment would be provided under Partial Action Plan 7 and further that reimbursement for the appropriate share of the additional cost will be sought through the deconstruction funding and settlement agreement with the prior insurers of 130 Liberty Street.

Following this presentation, the Chairman read the relevant resolution into the record and called for questions and/or comments on same.

Director Malloy inquired with regard to the last three resolutions, if the various entities are bound the same way Bovis is and Mr. Harvey stated that they are so bound by virtue of these amendments to their service contracts.

A discussion ensued in response to comments made and/or questions raised by Directors Malloy, Weisbrod and Wils regarding various issues including the advisability of getting the final numbers on the deconstruction costs, the timeframe for

deconstruction as well as the remedies available should the job not be completed by December 31<sup>st</sup>. Also discussed was the number of workers that Bovis has on the job and in that regard, Chairman Rampe stated that the agreement in place requires Bovis to maintain sufficient personnel on the job to complete the job by December 31, 2007.

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

Authorization to Amend Contract with Regional Scaffolding and Hoisting Co., Inc. and Safeway Environmental Corp.

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Regional Scaffolding and Hoisting Co., Inc. and Safeway Environmental Corp., to increase the authorized expenditures thereunder by an additional \$1,587,580 to an amount not to exceed \$14,722,580 in the aggregate, and to extend the term of such agreement through December 1, 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 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.

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Mr. Miller then presented a request to amend the Final Action Plan, Partial Action Plan 2 and Partial Action Plan 7.

Mr. Miller provided a detailed outline of the amendments requested as well as of the reasons for same.

Following this presentation, the Chairman read the relevant resolution into the record and called for questions and/or comments with regard to same.

Director Rudin inquired as to the amount of unallocated funds as well as the potential uses therefore. Mr. Miller provided him with an outline of same. Director Wils then inquired with regard to funding for the Greenwich Street South Plan. Mr. Miller responded that that Plan had never been specifically funded through any allocation that LMDC has made.

Mr. Miller added that Greenwich South was one of the items to be considered on one of the economic development plans.

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

Authorization to Amend Partial Action Plans 2 and 7 and to Amend Final Action Plan

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RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plans 2 and 7 (the "Amended Partial Action Plans") and to amend the Final Action Plan (the "Amended Final Action Plan"), to reduce the allocations for Partial Action Plan 2 and the Final Action Plan by \$30,000,000 in the aggregate and to increase the allocation for Partial Action Plan 7 by \$30,000,000, 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 the Amended Final Action Plan; and be it

FURTHER RESOLVED, that each of the President of the Corporation, his designee or the Chairman of the Board of Directors of the Corporation is hereby authorized to make such changes to the Amended Partial Action Plans and the Amended Final Action Plan as may be necessary or appropriate to comport with applicable HUD requirements and to reflect public comments received on such Amended Partial Action Plans and such Amended Final Action Plan, provided any changes so made shall be consistent with the criteria set forth in such Amended Partial Action Plans and such Amended Final Action Plan; 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. Miller then asked the Directors to authorize LMDC to amend its contract for website services.

Following this presentation, the Chairman read the relevant resolution into the record and called for any comments and/or questions with regard to this request. Hearing none, and upon

motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract for Website Services

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Something Digital for website services and related expenditures, to increase the total authorized expenditures thereunder by an additional \$100,000 to an amount not to exceed \$722,310 in the aggregate, and to extend the term of such agreement through March 31, 2008, 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 Communications Department's 2007-2008 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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Lastly, the Chairman asked the Directors to ratify certain specific contract amendments as mentioned previously in Director Johnson's Audit and Finance Report.

Following a brief presentation, the Chairman read the relative resolution into the record and called for questions and/or comments on same.

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

Ratification of Crozier Fine Arts, Inc., Shelter Express Corp. and Brookfield Financial Properties Contract Amendments

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RESOLVED, that each of the amendments the Corporation entered into with respect to its existing agreements with each of Crozier Fine Arts, Inc., Shelter Express Corp. and Brookfield Financial Properties, as described in the materials presented to this meeting, is hereby ratified and approved in all respects; and be it

FURTHER RESOLVED, that the additional expenditures under the Brookfield Financial Properties agreement hereby ratified shall be allocated from funds included in the Communications Department's 2006-2007 budget and funds included in Partial Action Plan 8.

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There being no further business, the meeting was adjourned at 8:46 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary