

**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

January 29, 2009

**MINUTES**

**In Attendance**

**Directors:**

Avi Schick, Chairman  
Amanda Burden (via telephone)  
Robert Douglass (via telephone)  
Caswell Holloway  
Robert Harding  
Thomas Johnson  
Robert Lieber  
Edward J. Malloy (via telephone)  
Kevin M. Rampe  
William C. Rudin (via telephone)  
Martha Stark (via telephone)  
John Zuccotti

**Staff Attending:**

**For Lower Manhattan Development Corporation:**

David Emil, President  
Irene Chang, General Counsel and Secretary  
of the Corporation  
Daniel Ciniello, Senior Vice President -  
Operation  
Stephen Konopko, Vice President - Internal  
Audit  
Sayar Lonial, Director of Planning and  
Development  
Robert Miller, Chief Financial Officer  
Michael Murphy, Press Secretary  
Angela Rossi, Director of Projects and  
Programs  
Andrew Wu, Deputy General Counsel

Other Staff

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

Robert Harvey, Acting Executive Director

**For Assembly Speaker Sheldon Silver:**

Judy Rapfogel, Chief of Staff

**Counsel to the Board:**

Caitlin Halligan, Weil, Gotshal & Manges

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

Jan Opper, Associate Deputy Assistant Secretary for Disaster Policy & Management

**Also Present:**

The Public

The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:37 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.

First, Chairman Schick noted that since the Directors had received the resolutions for consideration in advance of today's meeting, he would not read the entire resolution into the record.

Chairman Schick then called for the approval of the Minutes of the November 13, 2008 Directors' Meeting.

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

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT THE NOVEMBER 13, 2008 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 November 13, 2008, 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 Schick then reported on the recent activities of the Corporation with regard to 130 Liberty Street.

Among other things, the Chairman noted that in January, LMDC began the practice of posting a monthly update and progress report for the public on the status of the building.

Overall, the Chairman noted the abatement continues with regard to the building. He then outlined the present specifics of said abatement.

Next, the Chairman asked Director Johnson to provide the Audit and Finance Report.

Director Johnson then reported that the Committee met last week to review the purpose, cost justification and the availability of funds for the items being presented for consideration today and that the Committee recommends, based on that criteria, that all the requests be considered for approval by the Board.

Director Johnson noted that the MTA has met its obligation with regard to the Committee's recommendation to extend the budget authorization to the LMCCC obligations funded by the MTA through December 31, 2008.

Lastly, Director Johnson noted that the Committee met with the internal auditor and noted that there were no items of significant risk to report.

Chairman Schick then thanked Deputy Mayor Lieber and the City of New York for their assistance in working to make sure that the MTA obligation was met.

Ms. Rossi then asked the Directors to authorize LMDC to amend the Community Enhancement Fund Plan that was previously approved at the June, 2008 Board meeting. Ms. Rossi explained that the proposed amendment will reflect the designation of the City of New York through its Department of Parks and Recreation as the subrecipient for two of the 35 projects in place of the previously designated subrecipients.

Ms. Rossi outlined the two projects and explained the reasons for changing the subrecipients therefore to the Parks Department.

Following the full presentation, Deputy Mayor Lieber stressed the importance of these types of projects to the quality of life in New York City, particularly during this time of economic trouble.

Deputy Malloy asked if the Projects will be bid through the Parks Department and the Chairman stated that LMDC believes that will be the case. Deputy Mayor Lieber noted that almost everything that is done through the Parks Department is done through the formal RFP process.

There being no further questions or comments, the following

three resolutions were voted on (It was noted for the record that Director Rudin recused himself with regard to the resolution pertaining to the subrecipient agreement to develop the Sea Glass Carousel.):

Authorization of Amended Community Enhancement Fund Plan

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RESOLVED, that the Corporation is hereby authorized to amend the Community Enhancement Fund Plan to designate The City of New York through its Department of Parks and Recreation as the subrecipient for two of the 35 grants authorized on June 26, 2008, in place of the previously designated subrecipients, as described in the materials presented to this meeting, is hereby approved; and be it

FURTHER RESOLVED, that prior to the expenditure of any amounts of the Community Enhancement Fund, (i) the Board of Directors shall have approved each such expenditure and the agreements to be entered into in connection therewith, in each case in accordance with applicable policies of the Corporation, and (ii) related approvals as may be required shall have been obtained; 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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Authorization to Amend Subrecipient Agreement with The City of New York Department of Parks and Recreation

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RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with The City of New York through its Department of Parks and Recreation related to Parks and Open Spaces Phase II to increase funding by \$2,000,000 to develop the SeaGlass, Carousel at the Battery and additional plans for Battery Park, to an amount not to exceed \$22,270,000 in the aggregate, consistent with the Community Enhancement Fund

Plan, as amended, 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 Final Action Plan for the Community Enhancement Fund Program; 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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Authorization to Enter into Community Enhancement Fund Subrecipient Agreement

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RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with The City of New York through its Department of Parks and Recreation in an amount not to exceed \$2,000,000 for the creation of a Lower Manhattan baseball field, consistent with the Community Enhancement Fund Plan, as amended, 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 Final Action Plan for the Community Enhancement Fund Program; 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. Emil then asked the Directors to authorize LMDC to amend its agreement with Regional Scaffolding & Hoisting Co., Inc. and Safeway Environmental Corp. with regard to services in connection with on going work at 130 Liberty Street.

Following the presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with Regional Scaffolding & 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 & Hoisting Co., Inc. and Safeway Environmental Corp., a New York Joint Venture, to increase the authorized expenditures thereunder by up to \$1,402,354 to an amount not to exceed \$18,909,798 in the aggregate, and to extend the term of such agreement through November 30, 2009, 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 S-2 and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; 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. Emil to authorize LMDC to amend its agreement with URS Corporation for construction management and owner's representation services at 130 Liberty Street.

Following this detailed presentation, the Chairman called

for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with URS Corporation

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with URS Corporation for construction management and owner's representation services at 130 Liberty Street to increase the authorized expenditures thereunder by up to \$2,831,149, to an amount not to exceed \$18,766,137 in the aggregate, and to extend the term of such agreement through March 31, 2010, 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 S-2 and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; 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. Emil asked the Directors to authorize LMDC to amend its agreement with TRC Engineers, Inc. for environmental testing and consulting services in connection with 130 Liberty Street.

Following this detailed presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement 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 at 130 Liberty Street, to increase the authorized expenditures thereunder by up to \$4,525,000, to an amount not to exceed \$29,744,675 in the aggregate, and to extend the term of such agreement through November 30, 2009, 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 S-2 and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; 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, Mr. Emil asked the Directors to authorize the Corporation to amend its agreement with Dechert LLP for legal advice and services related to 130 Liberty Street.

Following this detailed presentation, the Chairman called for questions or comments. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreement with Dechert LLP

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Dechert LLP for legal advice and services relating to 130 Liberty Street to increase the authorized expenditures thereunder by up to \$400,000, to an amount not to exceed \$7,300,000 in the aggregate, and to extend the term of such agreement through December 31, 2009, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from recovery of funds through pending indemnity and insurance claims, through Partial Action Plan 7 or Partial Action Plan S-2 as may be appropriate, and any remainder through the Legal Affairs Department budget for fiscal year 2008-2009 and fiscal year 2009-2010, and that the Corporation shall seek recovery of these funds through indemnity or insurance claims to the extent possible; 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. Andrew Winters from the Mayor's Office of Capital Development to provide an informational report on the City's plan for the reconfiguration of Chatham Square and improvements for Park Row in Chinatown.

Mr. Winters explained, among other things, that the planning process for Chatham Square was initiated by the LMDC in 2003 to address issues of traffic congestion, pedestrian safety, increasing public space as well as re-establishing the connections that were cut off when Park Row was closed.

Mr. Winters explained the process utilized in connection with the planning and noted that it will be ready to bid out in February.

Mr. Winters then provided a PowerPoint presentation to illustrate the present conditions as well as the planned changes and requested participation by Mr. Seth Myers of the New York City Economic Development Corporation.

Mr. Meyers then set out in detail some of the specifics of the plan for the Directors' information.

Mr. Holloway expressed appreciation for the presentation and noted the importance of this Project.

Ms. Rapfogel expressed opposition to, among other things, the permanent closing of Park Row.

The Chairman noted that the intention of foregoing the presentation was to update the Directors on the plan and not to bring it before them for a vote on any specific item.

Before calling for the adjournment of the meeting, Chairman Schick noted that a member of his staff, Shaifali Puri

was leaving State service on the following day. He expressed his appreciation on behalf of LMDC for her dedicated services to the Corporation over the last two years.

There being no further business, the meeting was adjourned at 9:19 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary