

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

April 8, 2010

MINUTES

In Attendance

Directors:

Avi Schick, Chairman
Lawrence T. Babbio, Jr.
Amanda Burden (via telephone)
Robert Douglass
Robert Harding
Caswell Holloway
Thomas Johnson
Kate D. Levin
Julie Menin
Kevin Rampe
William Ruden
Carl Weisbrod

Staff Attending:

For Lower Manhattan Development Corporation:

David Emil, President
Irene Chang-Cimino, General Counsel and
Corporate Secretary
Daniel Ciniello, Senior Vice President
Errol Cockfield, Vice President -
Communications & Community Affairs
Stephen Konopko, Vice President - Internal
Audit
Sayar Lonial, Director of Planning and
Development
Robert Miller, Chief Financial Officer
Phil Plotch, Director of WTC Redevelopment &
Special Projects
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 Empire State Development Corporation:

Peter Davidson, Executive Director

For Speaker Silver's Office:

Judy Rapfogel

Counsel to the Board:

Richard Davis, Esq., Weil, Gotshal & Manges

For National 9/11 Memorial and Museum:

Joseph Daniels

Alice Greenwald

For Fund for Public Schools:

Tara Paone

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:39 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, as has become the practice, 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 February 25, 2010 Directors' Meeting.

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

APPROVAL OF MINUTES

RESOLVED, that the minutes of the meeting of the Corporation held on February 25, 2010, 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 ratified and approved as actions of the Corporation.

* * *

Chairman Schick then opened the Chairman's Report by reporting on the tremendous amount of activity and progress at the 16-acre site known as Ground Zero.

Next, the Chairman stated that there is no project more important to Lower Manhattan than the Memorial Museum. The Chairman explained that, from its inception, LMDC has been focused on the creation of an appropriate memorial and as such, has been a significant funder of that effort.

The Chairman then introduced Joseph Daniels to provide a presentation with regard to one of the programming pieces that LMDC will assist in bringing to fruition.

First, Mr. Daniels expressed his appreciation to LMDC as the entity that gave birth to the Memorial Museum. He then provided a brief overview of the Memorial's activities thus far.

Mr. Daniels then introduced Alice Greenwald to provide a presentation on the details of today's proposal. Among other things, Ms. Greenwald described in detail, the manner in which these funds will be utilized. Ms. Greenwald noted, in part, that LMDC's funds will help support three video components of the museum which will take the exhibits to the next level and enhance the museum visitor's experience.

Director Johnson then suggested that those Directors who also serve on the National 9/11 Memorial should recuse themselves from the vote.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted (it was noted for the record that Chairman

Schick and Directors Johnson, Menin and Rampe recused themselves from the vote on the following resolution):

Authorization to Amend Partial Action Plans 1, 3, 8, 9 and 10; Authorization to Enter into Subrecipient Agreement with the National 9/11 Memorial and Museum at the World Trade Center Foundation, Inc. for the World Trade Center Memorial and Cultural Program

RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plans 1, 3, 8, 9 and 10 (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, as may be required; 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 may be necessary or appropriate to comport with applicable HUD requirements and to reflect any public comments solicited and received thereon; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with the National 9/11 Memorial and Museum at the World Trade Center Foundation, Inc. for the World Trade Center Memorial and Cultural Program, in an amount not to exceed \$2,290,000, 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 take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

* * *

Chairman Schick then noted that the next item on the Agenda involved the West Street Pedestrian Connection Program. It is

anticipated, the Chairman noted, that this program will allow pedestrians to get across West Street more safely while the construction continues.

Chairman Schick spoke at length on the details of this request. Among other things, Chairman Schick stated that Mr. Harvey of the LMCCC will meet with all of the stakeholders to make sure that there is a coordinated effort and that all stakeholders are on board so that the work can be done as effectively and efficiently as possible. He added that any contract that moves forward from this funding will be brought back to the Board. Following the full presentation, Directors Menin and Weisbrod spoke in favor of the proposal. As was suggested by both Directors, reports on this program will be provided to the Board.

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

Authorization to Amend Partial Action Plan 4 for West Street Pedestrian Connections Program

RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plan 4 (the "Amended Partial Action Plan") for the West Street Pedestrian Connections Program, 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 Plan, as may be required; 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 Plan as may be necessary or appropriate to comport with applicable HUD requirements and to reflect any public comments solicited and received thereon; 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.

* * *

Following approval of the foregoing resolution, Ms. Rapfogel expressed appreciation on behalf of Speaker Silver, for taking this expeditious action.

Next, Chairman Schick noted that the next request seeks authorization to amend the Subrecipient Agreement with The Fund for Public Schools in an amount not to exceed \$30,000.

The Chairman then invited Tara Paone to provide background information on The Fund for Public Schools.

Ms. Paone provided a detailed account of the workings of The Fund for Public Schools and outlined its goals and achievements thus far.

Following Ms. Paone's presentation, the Chairman expressed appreciation on behalf of LMDC to Directors Menin and Lieber for their participation in making this round of grants to area schools successful.

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

Authorization to Amend Subrecipient Agreement with The Fund for Public Schools; Authorization of Amended Community Enhancement Fund Plan

RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with The Fund for Public Schools to increase funding by \$30,000, to an amount not to exceed \$4,530,000 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 allocated for the Community and Cultural Enhancement Fund Program in the Final Action Plan; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend the Community Enhancement Fund Plan to reflect the foregoing increase in funding, 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.

* * *

Chairman Schick then presented an item requesting authorization to Amend Partial Action Plan 11 and the Final Action Plan, in order to combine into one place the unused Cultural Enhancement Fund allocation in Partial Action Plan 11 with the allocation for the Community and Cultural Enhancement Fund Program in the Final Action Plan.

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

Authorization to Amend Partial Action Plan 11 and Final Action Plan

RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plan 11 and the Final Action Plan (the "Amended 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 Action Plans, as may be required; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee shall be authorized to make such changes to the Amended Action Plans as may be necessary or appropriate to comport with applicable HUD requirements and to reflect any public comments solicited and received thereon; 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 asked Director Johnson to provide the Audit and Finance Report.

Director Johnson noted that the Committee met to review the purpose, cost justification and the availability of funds for all of the funding authorizations being presented for consideration today and that the Committee recommends that the items be considered for approval by the Board. Director Johnson added that he will address the Board on behalf of the Finance Committee when the 130 Liberty Street item is presented.

Director Johnson noted that the Committee reviewed the proposed operations budgets for LMDC and LMCCC for the fiscal year 2010-2011. He stated that the budgets are tight and appropriate and that the Committee recommends their approval.

Next, Chairman Schick asked the Directors for authorization to amend its contract with Studio Daniel Libeskind to extend the term for an additional year to May 5, 2011.

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

Authorization to Amend Contract with Studio Daniel Libeskind

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Studio Daniel Libeskind, LLC for planning services relating to the World Trade Center Memorial and Redevelopment Plan to extend the term for an additional one-year period through May 5, 2011, 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.

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Chairman Schick then asked Jane Brogan to present an item seeking authorization for LMDC to amend Partial Action Plan 4 to reallocate \$95,000 from long term planning to the New York Stock Exchange Area Security and Streetscape Program and to amend a Subrecipient Agreement with the City of New York for that Program to add \$95,000 to bring the total funding amount to \$25,095,000.

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

Authorization to Amend Partial Action Plan 4 and to Amend Subrecipient Agreement with The City of New York for New York Stock Exchange Area Security and Streetscape Program

RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plan 4 (the "Amended Partial Action Plan") for the New York Stock Exchange Area Security and Streetscape Program, 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 Plan, as may be required; 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 Plan as may be necessary or appropriate to comport with applicable HUD requirements and to reflect any public comments solicited and received thereon; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with the City of New York for the New York Stock Exchange Area Security and Streetscape Program to increase funding by \$95,000, to an amount not to exceed \$25,095,000, 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 take any such action and to execute such instruments as may be necessary or appropriate to effect the foregoing.

* * *

Next, the Chairman asked the Directors to authorize LMDC to enter into a Subrecipient Agreement with the City of New York for the Chinatown Planning Study.

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

Authorization to Enter into Subrecipient Agreement with the City of New York for Chinatown Planning Study

RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with The City of New York through its Department of Small Business Services in an amount not to exceed \$150,000 in the aggregate to provide funds for a rezoning study of Chinatown, 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 4 for Long-term Planning; 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 called upon Irene Chang-Cimino to present an item regarding the Allen and Pike Street Malls Environmental Assessment.

Following Ms. Chang-Cimino's presentation of the specifics of this request, the Chairman called for questions and comments. Director Menin asked if representatives from LMDC have met with Community Board 3 to discuss the project and any mitigation measures. Ms. Chang-Cimino stated that the City Department of Transportation and the City Parks Department have been actively involved in engaging the community in this project to improve the medians.

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

Authorization to Serve as Lead Agency Under National Environmental Policy Act and State Environmental Quality Review Act for Reconstruction of the Allen and Pike Street Malls Project; Approval of Environmental Assessment and Environmental Determinations; Authorization to Take Other Related Actions

RESOLVED, that the Corporation shall serve as lead agency for the environmental review of the Reconstruction of the Allen and Pike Street Malls Project (the "Project") pursuant to the National Environmental Policy Act ("NEPA") and the New York State Environmental Quality Review Act ("SEQRA"), which review has been coordinated with other necessary reviews pursuant to the Coastal Zone Management Act, National Historic Preservation Act, State Historic Preservation Act and other applicable laws and regulations; and be it

FURTHER 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, the Corporation hereby approves the Environmental Assessment ("EA") for the

Project in the form submitted at this meeting and finds that the EA meets the requirements of NEPA, SEQRA, the Coastal Zone Management Act, National Historic Preservation Act, State Historic Preservation Act, and other applicable laws and regulations; and be it

FURTHER RESOLVED, that, on the basis of the EA, the Corporation hereby determines that the Project will not, either individually or cumulatively, have a significant impact on the quality of the human environment or a significant adverse environmental impact; and, accordingly, that no environmental impact statement is required for the Project under NEPA or SEQRA; and authorizes the President of the Corporation or his designee(s) to issue for public comment a Finding of No Significant Impact under NEPA and to issue a Negative Declaration under SEQRA; and be it

FURTHER RESOLVED, that on the basis of the EA, the President of the Corporation or his designee(s) is hereby authorized to prepare and execute a programmatic agreement or other monitoring agreement as described in the EA that will govern the consultation, investigation and resolution of any possible effects on archeological resources in the project area pursuant to Section 106 of the National Historic Preservation Act; and be it

FURTHER RESOLVED, that, if the Corporation does not receive comments that raise substantial new environmental issues requiring changes to the EA or environmental determinations, the President of the Corporation is hereby authorized, in the name and on behalf of the Corporation, to complete any certifications required to finalize such findings and to request a release of funds from the U.S. Department of Housing and Urban Development for the Project; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee(s) is hereby authorized and directed, in the name and on behalf of the Corporation, to finalize, execute and deliver any and all documents and to take all related actions as he may in his sole discretion consider necessary or appropriate to effectuate the foregoing resolutions.

* * *

The Chairman then asked the Directors to approve the FY 2010-2011 LMDC budget. Following this presentation, the Chairman called for questions and comments. Director Menin first explained that her initial questions had been answered by Mr. Emil. She went on to stress her opinion that moving forward, any additional budgets should focus on two things: the immediate disbursement of the remaining community and cultural enhancement funds and the reallocation of the utility fund.

Director Weisbrod then inquired as to the amount that is available in the utility fund.

Chairman Schick provided a detailed accounting with regard to the availability of those funds.

A lengthy discussion followed regarding the re-allocation of the available portions of the utility fund. It was ultimately agreed that the best course of action is to follow Director Lieber's suggestion that a sub-committee of the Board review all of the variables over the next two months and return to the Board with a plan that sets forth the broad outlines regarding how this money may be appropriately allocated.

Also with regard to the budgets, Director Halloway inquired with regard to the amount of savings gained by LMCCC moving into LMDC's office. Mr. Emil and Mr. Harvey stated that there has been significant savings on rents and to a lesser extent on sharing staff.

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

Approval of Lower Manhattan Development Corporation Budget
for FY 2010-2011

RESOLVED, that the budget of the Corporation for fiscal year 2010-2011 is hereby adopted as presented to this meeting; and be it

FURTHER RESOLVED, that the President and the Chief Financial Officer are authorized and directed to implement and carry out the budget and are directed to inform the Board of material variances from the budget.

* * *

The Chairman then presented the 2010-2011 LMCCC Budget for approval.

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

Approval of Lower Manhattan Construction Command Center
Budget for FY 2010-2011

RESOLVED, that the budget for Lower Manhattan Construction Command Center ("LMCCC") operations for fiscal year 2010-2011 is hereby adopted as presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures in support of LMCCC operations in the fourth quarter of fiscal year 2010-2011 as contemplated in the LMCCC budget so adopted may be made only if the Executive Order Number 133, issued by the Governor of the State of New York on November 11, 2004 and the Executive Order Number 53, issued by the Mayor of New York on November 11, 2004 have been extended beyond March 31, 2011; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are authorized and directed to implement and carry out said budget for LMCCC operations and are directed to inform the Board of material variances from the LMCCC budget.

* * *

Next, the Chairman asked the Directors to authorize LMDC to enter into an agreement with Bovis Lend Lease LMB, Inc. relating to the 130 Liberty Deconstruction.

Chairman Schick outlined the terms of this agreement and LMDC's reasoning behind entering into it. He also outlined various concerns that LMDC is attempting to safeguard against given the Company's prior performance.

Director Johnson noted that the Audit and Finance Committee has been working very hard on this agreement and shares those concerns expressed by the Chairman.

Director Johnson continued and stated that the Committee proposes that the Board approve the settlement today, subject to the final review by the Audit and Finance Committee of the detailed terms of the agreement prior to its execution.

Director Halloway asked what the practical effect is of authorizing the agreement subject to further approval. Chairman Schick explained that it serves to authorize the Audit and Finance Committee to move forward within a specific framework that will ensure that the final agreement contains the terms that will provide a suitable safety plan and sufficient man power to complete the demolition.

Further discussion was had with regard to the importance of this work being done in an efficient, expeditious and safe manner.

There being no further comments, the Chairman called for questions and comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Agreement with Bovis Lend Lease LMB, Inc. relating to 130 Liberty Deconstruction

RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Bovis Lend Lease LMB, Inc. ("Bovis") for general conditions costs incurred as part of the deconstruction of 130 Liberty Street during the period from September 15, 2009 through the end of deconstruction, in an aggregate amount not to exceed \$13,423,095, as described in the materials presented to this meeting; provided that the terms and conditions of such agreement shall be subject to the approval of the Corporation's Audit and Finance Committee prior to execution thereof; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from Partial Action Plan 7, Partial Action Plan S-2, funds contributed by Allianz and AXA pursuant to the Settlement Agreement dated February 25, 2010, or any recovery and/or reimbursement of funds through indemnity and insurance claims against Bovis and/or Deutsche Bank and any of their insurers, 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.

* * *

Next, Mr. Emil asked the Directors to approve the appointment of an officer. Following this presentation, the Chairman called for questions and comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Election of Officer

RESOLVED, that Frederick Livingston is hereby elected Vice President of Construction of the Corporation, and shall serve until such time as his successor is duly elected and qualified or until his earlier resignation or removal.

* * *

Lastly, Mr. Harvey asked the Directors to authorize an amendment to the contract with LiRo Program and Construction Management.

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

Authorization to Amend Contract with LiRo Program and Construction Management

RESOLVED, that the Corporation is hereby authorized to amend its existing agreement with LiRo Program and Construction Management to increase the authorized expenditures thereunder by \$3,437,732 to an amount not to exceed \$18,101,278 in the aggregate, and to extend the term for an additional nine months through December 31, 2010, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be committed to and allocated upon commitment of funds provided to the Corporation under Lower Manhattan Construction Command Center's grants from Federal Transit Administration and funding agreements with The Port Authority of New York and New Jersey, Metropolitan Transportation Authority, and the New York State Department of Transportation; and be it

FURTHER RESOLVED, that the expenditures approved hereby

shall be subject to authorization of work orders on a quarterly basis, including evaluation of the scope, schedule and fees associated with each quarterly period; 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 9:51 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary