

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

June 24, 2010

MINUTES

In Attendance

Directors:

Avi Schick, Chairman
Lawrence T. Babbio, Jr.
Amanda Burden (via telephone)
Peter Davidson
Robert Douglass
Timothy Gilchrist (via telephone)
Robert Harding
Caswell Holloway
Kate D. Levin
Robert Lieber
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 Speaker Silver's Office:

Judy Rapfogel

For NYCEDC:

Madelyn Wils

Counsel to the Board:

Matthew M. Speiser, Esq., Weil, Gotshal & Manges

Also Present:

The Public

The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:44 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 welcomed the two newly appointed Directors - Timothy Gilchrist and Peter Davidson to the meeting.

He then noted that, as has become the practice, since the

DRAFT - SUBJECT TO REVIEW AND REVISION

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 April 8, 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 April 8, 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 called for the approval of a technical correction to the December 17, 2009 Minutes. Specifically, the Chairman noted that the Minutes will be corrected to reflect \$1.9 million as the amount agreed upon over the years to provide to StoryCorps.

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

adopted:

Amendment of Minutes of December 17, 2009 Meeting

RESOLVED, that the minutes of the meeting of the Corporation held on December 17, 2009, previously approved by the Board on February 25, 2010, are hereby amended to reflect that the aggregate expenditure approved by the Board for the Corporation's subrecipient agreements with StoryCorps, Inc., formerly Sound Portraits Productions, is \$1,900,000, and such amended minutes, as presented to this meeting, shall be filed with the records of the Corporation as the minutes of the December 17, 2009 meeting.

* * *

The Chairman then asked Director Babbio to provide the Audit and Finance Report.

Director Babbio 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 Babbio added that LMDC received follow up documentation from officials in the other agencies that support the proposals on today's Agenda.

The Chairman then opened his report by noting that there has been continued progress with regard to the deconstruction of 130 Liberty. He then went on to provide a brief outline of the

DRAFT - SUBJECT TO REVIEW AND REVISION

recent and anticipated activities at the site.

Chairman Schick then explained that LMDC has filed a Motion to Dismiss the \$80 plus million lawsuit filed by Bovis. The Chairman further noted that to the extent that any part remains that is not dismissed, LMDC has asked the court to stay the proceedings until the building is down.

The Chairman then explained that LMDC has at least \$200 million more in funding to be allocated to public uses and public purposes in Lower Manhattan. Chairman Schick provided the background information regarding the existence of these funds.

Following Chairman Schick's report, Director Menin stressed, among other things, the need for the Board to act quickly to release these funds to take care of the urgent needs of the Lower Manhattan Community.

A lengthy discussion ensued regarding the possible uses and the timeframe involved in expending these funds. It was noted that no Board action is required to release the funds and that every action will be taken to ensure that the funds are allocated as needed and in a timely fashion. It was also noted

DRAFT - SUBJECT TO REVIEW AND REVISION

that the individual Subrecipient Agreements would require Board action.

Director Menin then urged the Board to work with the Port Authority to come up with a plan for Tower 5. She suggested that the two entities release a Request for Expression of Interest to developers to develop as a mixed use building.

A discussion followed and Mr. Emil stated that the original General Project Plan calls for commercial space. To change that, he continued, would require an environmental review and substantial replanning.

Director Menin then stated her belief that the Board should vote today to act on trying to develop Tower 5 and working with the Port Authority to come up with a plan.

Director Lieber expressed his strong disagreement with this suggestion. He noted that he agreed that a plan is needed for Tower 5 but that it is much too early to talk about changing the use and redesigning and replanning and reopening the General Project Plan.

Director Lieber further stated that it is much more prudent

DRAFT - SUBJECT TO REVIEW AND REVISION

to complete the business at hand, e.g., getting the building down and getting the VSC built before any uncertainty is created with regard to Tower 5. A vote was not taken.

Mr. Lonial then provided a PowerPoint presentation reviewing the creation and rehabilitation of parks and open spaces that LMDC has funded throughout Lower Manhattan over the past several years.

Following Mr. Lonial's presentation, Director Weisbrod asked if there is a plan to map all of these as parkland so that LMDC's investment will be preserved for all time.

Mr. Lonial stated that in some cases, the relevant areas will be marked as parkland and in other cases, there is a Green Street Agreement between the Department of Transportation and the Parks Department. Mr. Lonial explained that under this agreement, the areas are taken over and maintained by the Parks Department while technically regarded as streets by the Department of Transportation.

Director Weisbrod asked if the particular investments which are going to be mapped as parkland are identified and Mr. Lonial said he would get that information back to the

DRAFT - SUBJECT TO REVIEW AND REVISION

Directors.

Director Davidson then complimented the Board on this great effort. He then asked Mr. Lonial to address the maintenance plans and related funding. A brief discussion was then had with regard to the park maintenance funding issue.

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

The Chairman explained that this was a follow-up item to the one approved at the previous board meeting for this program.

Chairman Schick stated that today's action is a request for authorization for LMDC to enter into a Subrecipient Agreement with the Battery Park City Authority to manage a certain portion of the overall funding for the first phase of the pedestrian management program.

The Chairman provided the relevant background information with regard to this request.

He then called for questions or comments. Director Holloway asked if the plan will consist of individuals serving

DRAFT - SUBJECT TO REVIEW AND REVISION

as traffic enforcement agents. Mr. Emil explained that it will be comparable to the traffic control system that is in place for people moving to and from the PATH Station across Church Street. He added that the Battery Park City Authority will enter into a contract with an entity that does that kind of work.

Director Holloway then inquired as to the timeframe involved. Mr. Emil noted that while he could not provide a specific timeframe, it is anticipated that as the bridges are finished, the actual pedestrian use should decline and over time, become less of a problem.

Ms. Rapfogel then commented favorably with regard to the information regarding the parks and open spaces as well as to the West Street Pedestrian Connections Program.

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

Authorization to Enter into Subrecipient Agreement with the Battery Park City Authority for the West Street Pedestrian Connections Program

RESOLVED, that the Corporation is hereby authorized to enter into a subrecipient agreement with the Battery Park City

DRAFT - SUBJECT TO REVIEW AND REVISION

Authority for the West Street Pedestrian Connections Program, in an amount not to exceed \$922,000, 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; and be it

FURTHER RESOLVED that the Corporation is hereby directed to amend its subrecipient agreement with The Port Authority of New York and New Jersey for pedestrian walkways as part of the West Street Pedestrian Connections Program to reduce the authorized expenditures thereunder by \$632,000, to an amount not to exceed \$3,708,000 in the aggregate, 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, Mr. Emil asked the Directors to authorize LMDC to amend Partial Action Plan 4 and the Final Action Plan and to enter into a Subrecipient Agreement with the City of New York for Planning and Administration of LMDC's funded projects.

Following Mr. Emil's 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 the Final Action Plan; Authorization to Enter into Subrecipient Agreement with The City of New York for Planning and Administration of LMDC-funded Projects

DRAFT - SUBJECT TO REVIEW AND REVISION

RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plan 4 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 is hereby 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 Corporation is hereby authorized to enter into a subrecipient agreement with The City of New York (the "City") through its Department of Small Business Services in an amount not to exceed \$355,000 to provide funds for costs incurred in connection with planning and administration by the City of projects funded by the Corporation; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in the amended Partial Action Plan 4; 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 two items requesting authorization for LMDC to amend its contracts with Dewey LeBoeuf LLP and with Weil, Gotshal & Manges LLP for legal services. The Chairman noted that in both instances, no money was involved. The requests only involve extensions of the contracts.

Following the full 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 Dewey & LeBoeuf LLP

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Dewey & LeBoeuf LLP for legal advice and services in the areas of environmental, land use, and real estate matters to extend the term for an additional one-year period through August 31, 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.

* * *

Authorization to Amend Contract with Weil, Gotshal & Manges LLP

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Weil, Gotshal & Manges LLP for legal advice and services in connection with the World Trade Center Memorial and Redevelopment Plan to extend the term for an additional one-year period through June 30, 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.

* * *

DRAFT - SUBJECT TO REVIEW AND REVISION

Mr. Emil presented an item relating to a change to the Alliance for the Arts original plan. This item, after some discussion, was tabled and the Board directed management and staff to go back to the Alliance with specific requirements with regard to this proposed change.

Next, Mr. Emil asked the Directors to authorize LMDC to amend its contract with Smith-Miller + Hawkinson with regard to the Louise Nevelson Plaza.

Following this presentation, the Chairman called for questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Contract with Smith-Miller+Hawkinson

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Smith-Miller+Hawkinson for design work on Louise Nevelson Plaza to increase the authorized expenditures thereunder by an additional \$12,000 to an amount not to exceed \$853,000 and to extend the term of such agreement for an additional three-month period 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 allocated from funds included in Partial Action Plan 4; 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.

* * *

Lastly, Mr. Harvey asked the Directors to authorize an amendment to the contract with Hellman Electric Corporation for Intelligent Transportation Systems Maintenance and Servicing.

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:

Authorization to Amend Contract with Hellman Electric Corporation for Intelligent Transportation Systems Maintenance and Servicing

RESOLVED, that the Corporation is hereby authorized to amend its agreement with Hellman Electric Corporation for maintenance and related services on the Lower Manhattan Intelligent Transportation System to modify the two-year term of the agreement by establishing a new start date of July 1, 2010 and a new end date of June 30, 2012, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the amount to be expended by the Corporation under such amended agreement shall not exceed \$2,365,000 in the aggregate, which expenditures shall be allocated from funds committed to Lower Manhattan Construction Command Center ("LMCCC") and provided to the Corporation by The Port Authority of New York and New Jersey, the Metropolitan Transportation Authority, and the New York State Department of Transportation for LMCCC's continuing operations; and be it

FURTHER RESOLVED, that the previous authorization in an amount not to exceed \$4,500,000 for Intelligent Transportation Systems maintenance and servicing is hereby reduced by \$2,135,000 to an amount not to exceed \$2,365,000, as described in the materials presented to this meeting, and be it

FURTHER RESOLVED, that the proper officers of the

DRAFT - SUBJECT TO REVIEW AND REVISION

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 9:42 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary