

LOWER MANHATTAN DEVELOPMENT CORPORATION

Meeting of the Directors
Borough of Manhattan Community College
245 Greenwich Street, Room 1307
13th Floor, Room 1307
New York, New York 10007

June 22, 2016

MINUTES

In Attendance

Directors:

Joseph Chan, Chairman
Thomas Johnson
Catherine McVay-Hughes
Mehul Patel
Carl Weisbrod
Peter Wertheim
Dominic Williams

Staff Attending:

For Lower Manhattan Development Corporation:

David Emil, President
Daniel Ciniello, Senior Vice-President, Operations
Stephen Konopko, Vice-President, Internal Audit
Laura Rogers, Associate Counsel

For Empire State Development:

Alexis Offen
Debbie Royce, Assistant Corporate Secretary

Also Present:

The Public
The Media
The Press

The meeting of the Lower Manhattan Development Corporation (“LMDC”) was called to order at 8:53 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.

Next, the Chair set forth the guidelines regarding comments by the public on matters on the Agenda noting that in the interest of an expeditious meeting, there will be one public comments period at the end of the meeting. The Chair also provided the guidelines with regard to any conflicts of interest any of the Directors may have regarding items on the Agenda. No conflicts were noted.

The Chairman then called for a motion to approve the Minutes of the March 18, 2016 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 March 18, 2016, as presented to this meeting, are hereby approved and all actions taken by the Corporation’s employees, officers or Directors in furtherance of the matters referred to therein are hereby ratified and approved as actions of the Corporation.

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The Chair then asked Director Johnson to provide the Audit and Finance Committee's report for the Directors' information.

Director Johnson noted that the Committee met on June 10th to review the West Thames Street Bridge funding authorization requests and action plan amendments that are being considered by the Directors today.

Director Johnson added that the Committee reviewed the purpose, cost justification and availability of funds including the proposed action plan amendments that are being considered today.

Director Johnson noted that the Committee supports the authorization requests made and is recommending that all of the resolutions be considered for approval by the entire Board.

Chair Chan thanked Director Johnson for his presentation and called upon Mr. Emil to present the next item on the Agenda. The Chair noted that the item is a request to approve the amendment of the sub-recipient agreement with the Hugh L. Carey Battery Park City Authority for the construction of the West Thames Street Bridge and a request to amend Partial Action Plan 12 and the final Plan.

Mr. Emil opened by pointing out an image of the bridge in the conference room. He noted that this is an image of the bridge in its final approved form. Mr. Emil added that it has gone through a long process of community review and public agenda review.

Mr. Emil then pointed out two other images of the bridge and noted, among other things, that the bridge is covered. This, he noted, was a strong community concern and while it added to the cost of the bridge, it was agreed among all parties that it is important that the bridge be covered given the weather and the climate.

Next, Mr. Emil explained that when the project was previously brought to the Directors, it was expected that the total project cost would be approximately \$27.5 million and that at that point, LMDC was contributing \$20,000,000.

Mr. Emil went on to note that the bridge is being constructed through an agreement with the Battery Park City Authority which in turn has an agreement with the City EDC.

Mr. Emil further explained that EDC is overseeing the construction and has engaged Skanska as the construction manager.

Mr. Emil further noted, among other things, that over the course of this last winter, EDC engaged in an extensive bidding process and found that the steel and specialty steel markets were not favorable resulting in an increase in the cost estimate.

In addition, Mr. Emil explained, the demolition of the temporary Rector Street Bridge is far more complicated than anticipated and that it will cost more than \$4,000,000 to demolish and rebuild the area of the Rector Street Bridge.

Mr. Emil continued and explained that EDC succeeded in getting federal highway funding for the removal of the bridge in the amount of 80 percent of the costs. He added that because of this, the parties have added the cost of the Rector Street Bridge to the total project cost.

Mr. Emil then explained that with these decisions and changes, the total project cost is approximately \$45,000,000 and that the Directors are being asked to increase LMDC's portion of the funding by up to \$13,000,000.

This amount, Mr. Emil noted, will provide enough money to complete the bridge given the current contracts and to provide a contingency within those contracts.

Mr. Emil went on to outline the anticipated timeframe within which the construction work will proceed as well as the anticipated next steps regarding the payment of invoices.

The Chair noted that Battery Park City is going to provide an additional \$750,000 in funding.

Following Mr. Emil's presentation, Director Johnson noted that the Audit and Finance Committee had considerable discussion about the source of the funds. He added that he believed it was important to re-emphasize that all of these other projects from which excess funding will be moved, will have or have already been completely finished according to the dimensions of the original approval of those projects.

Mr. Emil reiterated Director Johnson's comment that this funding will not impair any existing projects.

The Chair called for questions or comments from the Directors.

Director McVay-Hughes stressed the importance of this project to the community.

The Chair then asked what the critical path is for EDC at this time and Mr. Emil provided that information.

The Chair then called for any further questions or comments from the Directors or any comments from the public. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend the Subrecipient Agreement with the Battery Park City Authority for the West Thames Street Pedestrian Bridge, and Authorization to Amend Partial Action Plan 12 and the Final Action Plan

RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with the Battery Park City Authority for West Thames Street Pedestrian Bridge environmental review, design and preconstruction services by adding \$17,230,775 in funds to be used for construction services, as described in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the \$17,230,775 shall be allocated from funds included in the \$20 million West Thames Street Pedestrian Bridge activity in Partial Action Plan S-2; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to further amend its subrecipient agreement with the Battery Park City Authority for West Thames Street Pedestrian Bridge environmental review, design, and construction services to increase funding by up to \$13,000,000, to an amount not to exceed \$33,000,000 in the aggregate, subject to approval of Partial Action Plan amendments described below and in the materials presented to this meeting; and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to amend Partial Action Plan 12 and the Final Action Plan, to: reduce Partial Action Plan 12 allocations for the Fulton Corridor Revitalization Programs activities, by a combined total up to \$5,639,000; reduce the Partial Action Plan 12 allocation for the NYC Parks and Open Spaces activity by up to \$7,851,000; reduce the Partial Action Plan 12 allocation for the Lower Manhattan Business Expansion program by \$1,330,000; and create two new activities in the Final Action Plan funded with the reductions from Partial Action plan 12: West Thames Street Bridge in the amount up to \$13,000,000 and Administration in an amount up to \$1,820,000, 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 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.

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There being no further business, the meeting was adjourned at 9:13 a.m.

Respectfully submitted,

Debbie Royce
Acting Secretary