

**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

August 12, 2004

**MINUTES**

**In Attendance**

**Directors:**

John C. Whitehead, Chairman  
Robert Balachandran  
Paul Crotty (via telephone)  
Robert Harding  
Thomas Johnson  
Edward Lewis  
Edward J. Malloy  
Stanley Shuman  
Carl Weisbrod  
Madelyn Wils (via telephone)

**Staff Attending:**

**For Lower Manhattan Development Corporation:**

Kevin Rampe, President and CEO  
Irene Chang, General Counsel  
Anita Contini, Vice President - Memorial,  
Cultural and Civic Programs  
Christopher Glaisek, Director of Urban  
Planning for Planning, Design &  
Development  
Dyana Lee, Vice President for Investigations  
Peter Madden, Senior Project Manager  
Eileen McEvoy, Assistant Secretary  
Robert Miller, Chief Financial Officer  
Amy Peterson, Vice President - Development  
Programs & Economics  
Stefan Pryor, Senior Vice President - Policy  
and Program  
Joanna Rose, Assistant Vice President -  
Communications and Press Secretary  
Stephen Konopko, Director of Internal Audit

Other Staff

**For Chairman Whitehead:**

Edward Novotny, Advisor to the Chairman

**For Governor Pataki:**

Doug Blaise

**Counsel to the Board:**

Jason R. Lilien, Esq.  
Weil, Gotshal & Manges LLP

**Also Present:**

The Public  
The Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:05 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 Chairman called for the approval of the Minutes of the July 8, 2004 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 JULY 8, 2004 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 July 8, 2004, 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 Whitehead then reported on the cultural institutions' planning process, explaining that LMDC is working with the institutions in two key areas: the architectural design of the buildings and the institutions' business planning efforts.

The Chairman added that in accordance with LMDC's usual effort to promote design excellence, it has issued an open call for architects for the museum and performing arts buildings. LMDC staff, he further noted, held an event recently at which architects were able to learn about the site and hear from each of the institutions with regard to their vision and needs for the new facilities. It is expected, he explained, that architects will be selected and begin work by early October.

In closing, the Chairman reported that the institutions are undertaking a six month in-depth analysis of how they intend to successfully operate their new facilities. The institutions are being asked to produce reports on such topics as cost estimates related to construction, projected annual operating budgets and comprehensive fundraising plans.

President Rampe then reported that there will be only one funding item for consideration at today's meeting. He explained that that item involves a request for funding for additional work by the Memorial Design Team. He added that Ms. Peterson will present the background information with regard to that request and that Ms. Contini will provide a report on the final recommendations of the Memorial Center Advisory Committee.

President Rampe then informed the Directors that Judy Rapfogel from Speaker Silver's office had sent her regrets because she was unable to attend today's meeting as she was in Albany working on the budget.

Next, Director Johnson provided the Audit and Finance Committee Report for the Directors' information.

Director Johnson stated that the Committee had reviewed LMDC's financial statements and the Report of the Independent Certified Public Accountants for the fiscal year that ended March 31<sup>st</sup>. He stated that these reports had been provided to each of the Directors and that they include the Statements and the Formal Report of the Independent Auditors.

Director Johnson explained that the auditors indicate that LMDC's financial statements do fairly present, in all material respects, the financial position of the Corporation and meet the requirement of being in conformity with accounting principles generally accepted in the United States.

Director Johnson then noted that LMDC, for the fiscal year noted, had revenues of \$326.6 million, most of which resulted from draw downs from the HUD. The Corporation, he went on to note, incurred expenses of \$326.3 million to implement its major programs.

Continuing on, Director Johnson stated that the Committee also reviewed an update on LMDC's allocation of available funding through the various Partial Action Plans. He explained that LMDC authorized plans totaling \$1,915,000 thus far, leaving \$868 million available for future allocations.

Director Johnson further noted that the Committee reviewed the funding request to be considered at the meeting and recommended that it be considered for approval by the Board as a whole.

Director Johnson then briefly outlined the information as contained in the budget variance reports for the beginning of the new fiscal year. He then added that Mr. Stephen Konopko was hired as a new Director of Internal Audit and asked the Directors to welcome Mr. Konopko to the Corporation.

Ms. Peterson then asked the Board to approve the amendment of existing contracts for the design services for the Memorial. Ms. Peterson provided the background information explaining, in part, that at the April Board meeting the Directors authorized LMDC to expend up to \$1 million for pre-design services under these contracts.

Ms. Peterson went on to explain that staff is now requesting Board authorization to expend up to an additional \$2,000,000 for schematic design services by the three firms composing the Memorial Design Team and the Associate Architect.

Ms. Peterson then provided an outline of the actions taken thus far in connection with the contracts. She went on to note that LMDC staff will present these contracts in the full amount at a future Board meeting. She further stated that funding for these contracts is allocated in Partial Action Plan #8 and will be initially funded in the LMDC budget.

At the conclusion of Ms. Peterson's presentation, the Chairman read the related resolution into the record. Following the Chairman's recitation and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Amend Agreements with Memorial Design Team

RESOLVED, that the Corporation is hereby authorized to amend its agreements with each of Davis Brody Bond LLP, Handel Architects, and Peter Walker and Partners Landscape Architecture Incorporated (i) to increase the scope of design services provided under such agreements to include schematic design services in connection with the World Trade Center Site Memorial and (ii) to increase the authorized combined expenditures under all such agreements by an additional \$2,000,000 to an aggregate amount not to exceed \$3,000,000 under all such agreements; and be it

\* \* \*

Next, Ms. Contini provided an update on the work of the Memorial Center Advisory Committee. She explained that this

Committee had been formed in April of 2004 to make recommendations for the Memorial Center. Ms. Contini went on to outline the makeup of the Committee as consisting of victim's family members, residents, survivors, first responders, historians, preservationists and curators.

Ms. Contini explained that the Committee's draft recommendations for the Memorial Center were released for public comment on June 2, 2004. Public comment, she explained, was accepted through July 1, 2004. Ms. Contini then outlined the number of comments received and provided a general synopsis of their content. She explained that the Committee reviewed and utilized these public comments in preparing their final recommendations which were reviewed by both the LMDC Memorial Board Working Group and the LMDC Family Advisory Council. Both entities, Ms. Contini explained, agreed with the recommendations.

In closing, Ms. Contini noted that the final recommendations, along with a complete record of the public comment, will serve as a resource for the interpretive experts hired to develop the Memorial Center in the coming months. She went on to thank the public for responding to the

recommendations and the Members of the Memorial Center Advisory Committee for the long hours they spent in developing the recommendations.

There being no further business, the meeting was adjourned at 8:21 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary