

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 20, 2004

MINUTES

In Attendance

Directors:

John C. Whitehead, Chairman
Roland Betts
Paul Crotty
Christy Ferer
Robert Harding
Thomas Johnson
Edward Lewis
Edward J. Malloy (via telephone)
Carl Weisbrod

Staff Attending:

For Lower Manhattan Development Corporation:

Kevin Rampe, President and CEO
Jennifer Brown, Assistant Vice President for
Community and Government Relations
Irene Chang, Vice President of Legal Affairs
and Counsel
Betty Chen, Director of Design
Daniel Ciniello, Vice President Internal
Audit
Anita Contini, Vice President - Memorial,
Cultural and Civic Programs
Ben Dookchitra, Project Manager
Christopher Glaisek, Vice President for
Planning, Design & Development
John Hatfield, Assistant Vice President -
Program Manager for Memorial, Cultural &
Civic Programs
Matthew Higgins, Chief Operating Officer and
Director of Communications
Anthoula Katsimatides, Assistant VP for
Communications & Government Relations
Dyana Lee, Vice President for Investigations
Holly Leight, Director of Planning

Jennifer Lump, Director of Business
Relations
Peter Madden, Senior Project Manager
Eileen McEvoy, Assistant Secretary
Robert Miller, Chief Financial Officer
Amy Peterson, Vice President - Development
Programs & Economics
Stefan Pryor, Deputy to the Chairman & Chief
of Staff, Secretary of the Corporation
Joanna Rose, Assistant Vice President for
Communications and Press Secretary
Beatrice Sibblies, Assistant Vice President
for Development Programs & Economics
Andrew Winters, Vice President & Director
for Planning, Design, & Development

Other Staff

For Governor George Pataki:

Doug Blaise

For Speaker Sheldon Silver:

Judy Rapfogel, Chief of Staff

For Chairman Whitehead:

Edward Novotny, Advisor

Counsel to the Board:

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

Also Present:

Steven L. Kass, Carter Ledyard & Milburn, LLP
Carol Kellerman, September 11th Fund
The Public
The Media and 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 November 13, 2003 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 NOVEMBER 13, 2003 MEETING OF THE DIRECTORS OF THE LOWER
MANHATTAN DEVELOPMENT CORPORATION

RESOLVED, that the minutes of the meeting of the Corporation held on November 13, 2003, 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 opened his report by extending the Board's sympathies to Director Wils, who was absent from the meeting because her mother had passed away over the weekend.

The Chairman then cited several milestones that have been reached since the last Directors' meeting including the unveiling of the Freedom Tower on December 19th. The Chairman expressed

congratulations to Larry Silverstein, David Childs and Daniel Libeskind for creating the superb design.

The Chairman noted that LMDC officially unveiled the final design for the World Trade Center site memorial the previous week. The Chairman extended gratitude to all those who had a part in the success of this effort including the designers, the jury, the Governor, the Mayor and the LMDC staff for the remarkable work that each performed.

The Chairman then explained that Matthew Higgins, LMDC's Chief Operating Officer and Director of Communications would be leaving the Corporation the following month to join the New York Jets organization. The Chairman expressed gratitude on behalf of the Board for all that Mr. Higgins has done for the agency from its earliest days.

President Rampe began his report by also addressing Mr. Higgin's departure from LMDC, noting that Mr. Higgins was in Lower Manhattan on September 11th and that hadn't left since. President Rampe went on to note that Mr. Higgins has been critical to every successful effort on LMDC's part and he thanked Mr. Higgins for his efforts and his friendship.

President Rampe then noted that the unveiling of the final memorial design is a significant achievement and extended congratulations to Ms. Contini and Mr. Hatfield and all of LMDC's memorial department for their work in making this possible.

President Rampe noted that John Hatfield will be leaving LMDC effective January 30th. President Rampe explained that Mr. Hatfield had been critical to the success of the memorial competition and has helped launch the Corporation's cultural efforts. President Rampe extended appreciation to Mr. Hatfield for his efforts.

President Rampe then noted that the new Neighborhood Workshop Summary Report had been placed at each Director's seat. President Rampe explained that the report encompasses the results of seven neighborhood workshops that LMDC and the City had conducted throughout Lower Manhattan. These workshops solicited input from business owners, residents and representatives from the community and civic groups on the priorities for their neighborhoods in the areas of transportation, neighborhood and civic amenities, open spaces and other areas.

The President further explained that the results of these workshops will help guide the LMDC as it moves forward with

additional funding initiatives. President Rampe announced that starting today, the report would be available on LMDC's website and that hard copies would be distributed to community groups in the upcoming weeks. President Rampe said that LMDC is encouraging the entire Lower Manhattan Community to review the report. He further explained that beginning today, LMDC is opening a formal comment period that will last to the end of February.

The President provided a synopsis of the Opportunity Downtown Conference, an event hosted by LMDC, and intended to inform women and minority owned businesses how to get involved in Lower Manhattan construction-related work. He then went on to outline various other matters which would be covered at the Directors' meeting, including the presentation of the Draft Generic Environmental Impact Statement ("DGEIS").

Next, Director Johnson provided the Audit and Finance Committee Report for the Directors' information, including the budget variance report. With regard to the budget variance report, Director Johnson explained that there was a change from last month's report to show that LMDC is now keeping track of unexpended commitments in addition to the actual funds that the Corporation has spent to date. This, he explained, will allow

LMDC to anticipate any problems with the budget as the fiscal year progresses.

Director Johnson then noted that the Audit and Finance Committee reviewed the funding authorizations that will be presented for consideration today. The Committee requested and received separate cost analyses and spending justifications for each of them. Director Johnson stated that he and the Committee were very pleased with the fiscal responsibility with which proposals are being analyzed and presented and that the Committee was fully comfortable with this meeting's proposals.

Director Johnson then asked Mr. Miller to present two items which he explained as falling under the auspices of the Audit and Finance Committee.

First, Mr. Miller presented a request for authorization for LMDC to extend the term of the Database Development Consultant Contract. Following this presentation, the Chairman read the related resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Extend Term of Contract with Database
Development Consultant

RESOLVED, the Corporation is hereby authorized to amend its agreement with B2B Technical, Inc. for database development consulting services to extend the term of such Agreement for an additional one year period; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

Next, Mr. Miller asked the Directors to authorize LMDC to enter into contracts for the Corporation's large scale photocopying services.

Following Mr. Miller's presentation, the Chairman read the following resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization of Contracts for Photocopying and Related
Services

RESOLVED, that the Corporation is hereby authorized to enter into an agreement for a one-year period with each of Corporate Marketing Solutions Inc., Millennium Copy Inc. and A. Esteban & Company, Inc. for photocopying and related services; and be it

FURTHER RESOLVED, that the combined expenditures under all such agreements shall not exceed \$150,000 in the aggregate; 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 and appropriate to effect the foregoing.

* * *

Ms. Chang then asked the Directors to approve the DGEIS and to authorize public hearings under the National Environmental Policy Act and the State Environmental Quality Review Act. Also in connection with the DGEIS, Ms. Chang requested that the Directors authorize the President to make determinations with respect to historic resources consistent with the National Historic Preservation Act and the New York State Historic Preservation Act.

Ms. Chang provided an outline of the DGEIS, noting that several of the pages have undergone minor corrections and that the Directors had been provided with those pages.

Ms. Chang then cited the various venues at which the DGEIS will be made available for public consideration and comment starting January 22, 2004. The document would also soon be available on the LMDC website.

Ms. Chang explained that the Board had previously approved the Amended General Project Plan and authorized a public hearing under the UDC Act on that Plan. She went on to note that the public hearings on February 18, 2004 would also serve as hearings

on the Amended General Project Plan. Ms. Chang further noted that the written comment period will run through March 15, 2004 on the DGEIS and through March 19, 2004 on the Amended GPP.

Ms. Chang noted that the review process relating to historic resources involves a number of interested individuals, organizations, and government entities and will continue over the next several weeks. The authorization for the President to make determinations is being sought, therefore, so that the process can move forward on a timely basis. Ms. Chang further explained that the results of this review will be included in the Final GEIS that will be presented to the Board.

Following the presentation, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Approval of Draft Generic Environmental Impact Statement for World Trade Center Memorial and Redevelopment Plan and Authorization to Make Determinations under National Historic Preservation Act and New York State Historic Preservation Act

RESOLVED, that on the basis of the materials presented to this meeting, copies of which are hereby order filed with the records of the Corporation, the Corporation hereby approves and adopts the Draft Generic Environmental Impact Statement (DGEIS) for the World Trade Center Memorial and Redevelopment Plan (Proposed Action) in the form submitted to this meeting and finds that the DGEIS meets the requirements of the National Environmental Policy Act and the New York State Environmental

Quality Review Act and is adequate for the purposes of public review, a copy of which DGEIS is hereby order filed with the records of the Corporation; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee is hereby authorized to take such action as deemed necessary or appropriate in connection with the holding of hearings and meetings required pursuant to the National Environmental Policy Act, the State Environmental Quality Review Act and any other applicable law (which hearings may be held simultaneously), including without limitation, the providing, filing or making available copies of the DGEIS and/or digests thereof, the fixing of the date for such hearings and public meetings, the publication of the notices relating to the DGEIS and such hearings in accordance with the procedures approved by such persons, and the making of a report or reports to the Board of Directors on such hearings and written comments received respecting the DGEIS; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee is hereby authorized and directed, in the name and on behalf of the Corporation, to make such determinations and take such actions under the National Historic Preservation Act and the New York State Historic Preservation Act as shall be necessary or appropriate under either of such statutes, or applicable regulations or guidelines, to identify any historic properties listed on or eligible for listing on the National and State Register of Historic Places and to make any and all findings with respect to the effect, if any, of the Proposed Action on such properties and to take all such other actions as may be required under such statutes, regulations or guidelines with respect to such properties; and be it

FURTHER RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all related actions as he or she may in his or her sole discretion considered to be necessary or appropriate to effectuate the foregoing resolutions.

* * *

Following the approval of the foregoing resolution, Director Crotty commented favorably on the thoroughness of the DGEIS, commending staff and consultants for the excellent job

they had done. Director Weisbrod echoed the praise and suggested a change to the Executive Summary -- he proposed that the phrase ". . . the proposed action seeking to revive the financial stability of Manhattan's Financial District", be amended to read "revive and enhance." He stated his belief that this was implicit in the thrust of the document. Ms. Chang said that the words would be added.

The Directors were then asked by Ms. Chang to approve a contract with the law firm of Weil Gotshal & Manges for legal services in connection with two matters related to the World Trade Center Memorial and Redevelopment Plan.

Following Ms. Chang's presentation, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization of Contract for Legal Services

RESOLVED, that the Corporation is hereby authorized to enter into an agreement with Weil, Gotshal & Manges LLP to provide legal services to the Corporation relating to disputes concerning the World Trade Center Memorial and Redevelopment Plan; and be it

FURTHER RESOLVED, that such agreement shall be for a one-year period for an amount not to exceed \$300,000; 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 and appropriate to effect the foregoing.

* * *

Ms. Rose then presented three separate items for consideration by the Directors, as follows: a request for authorization for contracts for audio-visual services; a request for authorization to increase expenditures for video documentation and production services, and a request for authorization to increase expenditures for website design and maintenance services.

Following Ms. Rose's presentation of the specifics of each of these requests, the Chairman read the resolution relating to the contracts for audio-visual services into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization of Contracts for Audio-Visual Services

RESOLVED, that the Corporation is hereby authorized to enter into an agreement for a one-year period with each of Kipany Productions, Mechanism Digital Inc. and Video Impact Productions Inc to provide audio-visual services in connection with public hearings, public meetings, press conferences and other events; and be it

FURTHER RESOLVED, that the combined expenditures under all such agreements shall not exceed \$250,000 in the aggregate; 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 and appropriate to effect the foregoing.

* * *

Next, the Chairman read the resolution relating to video documentation and production services into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Increase Expenditures for Video
Documentation and Production Services

RESOLVED, the Corporation is hereby authorized to amend its agreement with Whirlwind & Company Productions, Inc. for video documentation and production services to expand the scope of memorial documentary services provided under such agreement and to increase the expenditures thereunder by an additional \$50,000 to an amount not to exceed \$200,000 in the aggregate for such video documentation and production services; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

Lastly, the Chairman read the resolution relating to website design and maintenance services into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Increase Expenditures for WebSite Design
and Maintenance Services

RESOLVED, the Corporation is hereby authorized to amend its agreement with Something Digital for website design and maintenance services to increase the expenditures under such agreement by an additional \$75,000 to an amount not to exceed \$246,000 in the aggregate; and be it

FURTHER RESOLVED, that such additional funds shall be used to (i) develop a content management system; (ii) provide transition services to integrate the memorial competition website with the Corporation's website; (iii) develop a timeline and calendar application; and (iv) enhance the Corporation's public comment database application; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

The Directors were then requested by Mr. Glaisek to authorize LMDC to increase expenditures for House Urban Design Consulting Services relating to the Corporation's Public Realm Study. Following Mr. Glaisek's presentation, the Chairman read the related resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Increase Expenditures for House Urban
Design Consulting Services Relating to Public Realm Study

RESOLVED, the Corporation is hereby authorized to amend its agreement with Smith-Miller & Hawkinson (SMH) for urban design services in connection the Corporation's Public Realm Study to extend the term of such agreement for an additional one-year period and to increase the expenditures thereunder by an additional \$85,000 to an amount not to exceed \$435,000 in the aggregate; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

Ms. Contini then asked the Directors to authorize LMDC to increase expenditures pursuant to the Memorial Finalist Contract. Following this presentation, the Chairman read the relevant resolution into the record as follows:

Authorization to Increase Expenditure Pursuant to Memorial Finalist Contract

RESOLVED, that the Corporation is authorized to amend its agreement with Michael Arad, winner of the World Trade Center Site Memorial Competition, to increase the authorized expenditures under such agreement by an additional \$220,000 to an amount not to exceed \$379,500 in the aggregate, which additional funds shall be used to further develop the winning design, *Reflecting Absence*; and be it

FURTHER RESOLVED, that such additional funds shall be used to (i) develop preliminary design; (ii) integrate the memorial design and the World Trade Center site plan; (iii) work with consultants; (iv) participate in public outreach and develop presentation materials; and

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

Following the reading of this resolution, Director Weisbrod commended Ms. Contini for doing an excellent job on shepherding the memorial process. He then asked about her statement that Mr.

Arad, the designer, will be working with LMDC over the next two months. Specifically, he asked whether both the designer and LMDC will be working with the Port Authority regarding how the memorial relates to the infrastructure on the World Trade Center site. Ms. Contini explained that the designer and LMDC will be working with all of the relevant agencies on this matter.

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

Ms. Contini then presented a request for authorization for LMDC to expend funds for the Splendor of Florence Festival in Lower Manhattan in October of 2004.

Following Ms. Contini's presentation, the Chairman read the related resolution into the record as follows:

Authorization of Expenditure for Splendor of Florence
Festival in Lower Manhattan

RESOLVED, that the Corporation is hereby authorized to appropriate and expend out of the Corporation's funds an amount not to exceed \$250,000 for production costs related to the Splendor of Florence Festival to open in October 2004 in multiple venues in and around lower Manhattan, which funds shall be used to match amounts raised for the Festival from other sources; and be it

FURTHER RESOLVED, that in connection with the foregoing, the Corporation is authorized to enter into an agreement for a one-year period with Florentine Festivals USA, the creator and producer of such festival; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

Director Lewis then asked if there had been other festivals that have made requests for funding and Ms. Contini stated there were no others at this time. Director Crotty noted that LMDC had provided funding for festivals in the past, citing as an example the River-to-River festival which, he noted, was very successful.

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

The final request for funding was presented by Ms. Peterson. Ms. Peterson requested authorization for LMDC to enter into a contract for a Chinatown Tourism and Marketing Campaign. Following the presentation, the Chairman noted that Carol Kellerman of the September 11th Fund was present at the meeting. The Chairman explained that Ms. Kellerman will be working with LMDC on this campaign.

The Chairman then read the relevant resolution into the record, as follows:

Authorization of Contract for Chinatown Tourism and Marketing Campaign.

RESOLVED, that subject to approval of Partial Action Plan 5 by the U.S. Department of Housing and Urban Development, the Corporation is hereby authorized to appropriate and expend out of the Corporation's funds an amount not to exceed \$1,000,000 for the Chinatown Tourism and Marketing Campaign as outlined in Partial Action Plan 5, and be it

FURTHER RESOLVED, that the Corporation is hereby authorized to negotiate and enter into an agreement with each of Dentsu Communications, Inc. and M. Silver Associates, Inc. to provide tourism and marketing services for the Chinatown Tourism and Marketing Campaign; and be it

FURTHER RESOLVED, that the Corporation is authorized to allocate a portion of the \$1,000,000 expenditure approved hereby for advertising costs relating to the Chinatown Tourism and Marketing Campaign; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take any such action as may be necessary and appropriate to effect the foregoing.

* * *

Following the recitation of the resolution, Director Crotty spoke in favor of LMDC partnering with the September 11th Fund as it is his belief that this will increase the efficiency of the use of funds.

There being no further questions or comments, upon motion duly made and seconded, the foregoing resolution was adopted (it

was noted for the record that Messrs. Johnson and Weisbrod abstained from voting on the foregoing resolution stating that they are both on the Board of the September 11th Fund.)

There being no further business, the meeting was adjourned at 9:11 a.m.

Respectfully submitted,

Eileen McEvoy
Assistant Secretary