

**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

July 14, 2005

**MINUTES**

**In Attendance**

**Directors:**

John C. Whitehead, Chairman  
Robert Balachandran  
Robert M. Harding  
Thomas S. Johnson  
Edward J. Malloy  
Stanley S. Shuman  
Carl B. Weisbrod  
Madelyn Wils

**Staff Attending:**

**For Lower Manhattan Development Corporation:**

Stefan Pryor, President and CEO  
Allison Bailey, Secretary of the Corporation and Policy and Programs Project Manager  
Jennifer Brown, Vice President for Community Development and Relations  
Carin Cardone, Director of Tourism and Marketing  
Irene Chang, General Counsel  
Betty Chen, Vice President - Planning, Design and Development  
Dan Ciniello - Senior Vice President - Operations  
Anita Contini, Vice President - Memorial  
William Kelley, Director of Technical Services  
Robert Miller, Chief Financial Officer  
Amy Peterson, Senior Vice President - Memorial, Cultural and Civic Development  
Joanna Rose, Vice President - Communications

Edward Sidor, Director of Design - Planning,  
Design & Development  
Andrew Wu, Deputy General Counsel

Other Staff

**For Mayor Bloomberg:**

Deputy Mayor Daniel L. Doctoroff

**For Speaker Sheldon Silver:**

Judy Rapfogel, Chief of Staff

**Counsel to the Board:**

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

**Lower Manhattan Construction Command Center**

Charles Maikish, Executive Director

**Also Present:**

The Public  
The Media and Press

The meeting of the Lower Manhattan Development Corporation ("LMDC") was called to order at 8:09 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.

Chairman Whitehead began the meeting with a moment of

silence in honor of those who lost their lives in the London bombings the previous week.

Next, the Chairman called for a motion to approve the Minutes of the June 16, 2005 Board 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 JUNE 16, 2005 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 June 16, 2005, 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 spoke about Governor Pataki's unveiling of the new design for the Freedom Tower. The Chairman expressed his enthusiasm for the safety features as well as for the beauty of the new design.

Among other things, the Chairman noted the announcement by State and City officials of a new incentive plan for Lower Manhattan in the form of significant sales and tax breaks for businesses that relocate downtown. The Chairman stated his

belief that the plan will encourage businesses to make Lower Manhattan their home, fostering economic growth and revitalization.

Chairman Whitehead then reported on recent positive activities, including a meeting of the World Trade Center Memorial Foundation. He then noted that the construction of the Memorial remains on schedule, with groundbreaking in 2006.

The Chairman also addressed recent challenges and misconceptions faced by LMDC and the Foundation with regard to the Memorial and the Cultural component of the Master Site Plan for the World Trade Center Site. He expressed concern that a sense of partisanship has entered the public dialogue because of misconceptions in public statements.

The Chairman stressed LMDC's commitment to the Master Site Plan and to ensuring the creation, first and foremost, of the Memorial and the Memorial Museum. He affirmed that the Memorial has always been, and will always be, the centerpiece of the LMDC's efforts.

The Chairman then spoke of the inclusion of cultural activities on the site as an integral part of Libeskind's Master

Site Plan. He noted that Libeskind envisioned the cultural buildings as a buffer between the Memorial and the commercial activities beyond, seeing the combination of the Memorial and cultural activities as a proper tribute to those we lost and a symbol of hope and perseverance.

The Chairman noted that the LMDC is in discussions with the International Freedom Center and the Drawing Center. The Chairman stressed his concern that the misrepresentations that have been aired publicly have caused public confusion about the elements of the site, including the Memorial. He noted that the Master Site Plan was selected through a public process unlike any other urban planning process in history.

The Chairman then closed his comments by stating that the LMDC remains committed to the Master Site Plan.

Mr. Pryor began his report by voicing his support for the Chairman's remarks. He acknowledged that there were a number of guests in the audience who have strong opinions regarding the Memorial Site Plan, and reiterated the Chairman's statement regarding the importance of placing a proper emphasis on the Memorial.

After quoting from various newspaper articles, Mr. Pryor asserted that it is presently LMDC's job to find solutions that will further energize the rebuilding and contribute to the LMDC's continuing progress.

Mr. Pryor then spoke favorably with regard to the new design for the Freedom Tower. He thanked Director Weisbrod and Director Wils for their tremendous devotion and contribution to the Downtown community. Mr. Pryor explained that both individuals were moving on from the positions that they have held Downtown, but that they will remain on the LMDC Board.

Mr. Pryor then noted that one of the items on the Agenda was the appointment of Anne Papageorge to the office of Senior Vice President for Memorial and Cultural Development. Mr. Pryor further stated that in making this announcement regarding Anne Papageorge, he wished to recognize Amy Peterson, who will be leaving LMDC, for her work on behalf of the Corporation.

Mr. Pryor proceeded to provide a detailed outline of the remainder of the items on the agenda. The Chairman then read the appointment of officer resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Election of Officer

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RESOLVED, that Anne Papageorge is hereby elected Senior Vice President of the Corporation for Memorial and Cultural Development, and shall serve until such time as her successor is duly elected and qualified or until her earlier resignation or removal.

\* \* \*

Director Johnson then provided the Audit and Finance Committee Report noting that the Committee reviewed the purpose, cost justification, and availability of funds pertaining to the requests on today's agenda and that the Committee recommends their approval.

Next, Director Johnson noted that a budget variance report will be provided covering the entire fiscal year upon receipt by LMDC of the final audit presently being prepared by an independent audit firm. He further noted that the Committee anticipates that the report will reveal no inordinate variances.

Director Johnson stated that the internal auditor expressed concern about the potential for control weaknesses as a result of the turnover the LMDC is currently undergoing as individuals are moving on to other stages of their careers. He stressed the importance, therefore, of active vigilance on the part of the

Auditor and the Committee to avoid loss of oversight control during this period.

Next, Ms. Peterson presented a request for authorization for the LMDC to enter into a contract for the construction of scaffolding for the 130 Liberty Street deconstruction. She outlined the request for approval to enter into a contract with Regional Scaffold and Safeway Environmental.

Following Ms. Peterson's detailed presentation which included an outline of the selection process, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Agreement for Scaffolding for  
130 Liberty Street Deconstruction

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RESOLVED, that the Corporation is hereby authorized to enter into an agreement with the joint venture of Regional Scaffold and Hoisting Co., Inc. and Safeway Environmental Corporation for the purpose of erecting a full building scaffold system on the exterior of the 130 Liberty Street building, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that such agreement shall be for a two year period in an amount not to exceed \$13,135,000 in the aggregate, which amount shall include the \$1,000,000 of Corporation funds approved by the Board at its June 16, 2005 meeting for preliminary engineering, permitting and preparation work in connection with the 130 Liberty Street deconstruction;

and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included in Partial Action Plan 7; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take such other actions as may be necessary or appropriate to effect the foregoing.

\* \* \*

Ms. Peterson then asked the Directors to authorize the LMDC to enter into a contract for preliminary work in connection with the 130 Liberty Street deconstruction, which will include mobilization, staffing and the development of the contractor's implementation plan.

Ms. Peterson noted that the LMDC issued a bid on June 13<sup>th</sup> in connection with the preliminary work and is seeking at this time authorization to enter into a contract with the firm selected through this bid process. She asked the Board to authorize \$4,000,000 in funding to provide to the selected firm for the initial costs prior to the next Board meeting. Ms. Peterson stated that staff will return to the next Board meeting to request additional funding for the full contract.

Ms. Peterson then confirmed the Chairman's assertion that the present action will allow the selected contractor to begin work immediately.

Director Weisbrod asked if this will be charged against the outside figure for 130 Liberty Street. Ms. Peterson stated that it is covered under the first \$45 million of Partial Action Plan 7.

There being no further question or comments, the Chairman read the relevant resolution into the record and upon motion duly made and seconded, the following resolution was unanimously adopted:

Authorization to Enter into Agreement for Preliminary Work  
for 130 Liberty Street Deconstruction

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RESOLVED, that the Corporation is hereby authorized to expend up to \$4,000,000 of the Corporation's funds for mobilization costs, the purchase of bonding and insurance and preliminary engineering, permitting and environmental preparation work for the cleaning and deconstruction of 130 Liberty Street, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the President of the Corporation shall be authorized to negotiate and enter into an agreement for the foregoing purposes with such firm selected, in accordance with applicable policies of the Corporation, from among those responding to the Invitation to Bid for Cleaning and Deconstruction of 130 Liberty Street issued on June 13, 2005, and the President shall notify the Chairman of the Audit and Finance Committee of such selection and agreement; and be it

FURTHER RESOLVED, that such agreement shall be for a two year period in an amount not to exceed \$4,000,000 in the aggregate, which shall be allocated from funds included in Partial Action Plan 7; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take such other actions as may be necessary or appropriate to effect the foregoing.

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Ms. Chang then asked the Directors to authorize the LMDC to negotiate the terms of a new Deconstruction Funding Agreement regarding 130 Liberty Street. She added that staff would return to the Board should the proposed terms not be favorable to the LMDC.

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

Authorization of Deconstruction Funding Agreement regarding 130 Liberty Street

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RESOLVED, that the Corporation is hereby authorized to enter into a Deconstruction Funding Agreement regarding 130 Liberty Street with AXA and Allianz, as insurers of 130 Liberty Street, providing for the allocation of costs associated with the deconstruction of 130 Liberty Street, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that any amounts to be expended by the

Corporation in connection with such Deconstruction Funding Agreement not previously approved by the Board shall be subject to separate Board approval; 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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Next, Ms. Chang asked the Directors to authorize the LMDC to increase the legal consultant fee caps for legal services provided to the Corporation by outside counsel beginning August 1, 2005, in accordance with the updated ESDC maximum rate structure for outside counsel.

Following Ms. Chang's detailed explanation of the item, the Chairman read the following related resolution into the record, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Increase of Legal Consultant Fee Caps

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RESOLVED, that the Maximum Rate Structure for Outside Counsel, as established by the Empire State Development Corporation and attached as an exhibit hereto, is hereby approved and adopted, and such rate structure shall be applicable to legal services provided to the Corporation by outside counsel beginning August 1, 2005.

\* \* \*

Ms. Chang then asked the Directors to authorize LMDC to enter into two-year contracts with law firms on the Empire State Development Corporation's Pre-Qualified Counsel List for legal services in the areas of real estate and land use law, environmental law, condemnation, construction law, labor, and any related litigation.

Ms. Chang noted that expenditure under all such agreements shall not exceed \$2,000,000.

The Chairman asked if the amount was within the budget, and Ms. Chang stated that part of it was and the others would come from Partial Action Plans as they relate to the various projects.

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

#### Authorization of Agreements for Legal Consultants

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RESOLVED, that the Corporation is hereby authorized to enter into agreements for a two-year period with such firm or firms as appear on the Empire State Development Corporation's Pre-Qualified Counsel List, a copy of which is included in the materials presented to the Board at this meeting, for legal

services in the areas of real estate and land use law, environmental law, condemnation, construction law, labor, and any related litigation; and be it

FURTHER RESOLVED, that the aggregate amount of the Corporation's expenditures under all such agreements shall not to exceed \$2,000,000, which shall be allocated from funds included for planning and administration in the Corporation's annual budget for fiscal year ending March 31, 2006 and/or the appropriate project-related partial action plan; and be it

FURTHER RESOLVED, that the proper officers of the Corporation are hereby authorized to take such other actions as may be necessary or appropriate to effect the foregoing.

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Ms. Chen then presented two items, the first of which was a request for authorization to amend the Greenwich Street South Urban Design Services Analysis Agreement. The request would fund additional studies of the urban design proposals for the Greenwich Street South area.

Following Ms. Chen's detailed presentation regarding this item, the Chairman asked if some preliminary plans would be available to show the public at the beginning of 2006.

Ms. Chen stated that it was likely a discussion on the analysis of bus demands could begin with interested parties at that time.

Mr. Pryor explained that the studies are also on an ongoing basis in the form of sessions, which include various public agencies, so information can be drawn as the studies move forward. The Chairman then read the relevant resolution into the record.

Director Weisbrod queried as to timing and interplay between this contract, the extension of design work, and the next item to be considered which would be an analysis of the demand for the bus storage facility. Ms. Chen provided a breakdown of the timing and the services to be provided under each contract.

Director Wils asked if the services include shadow studies, and she was informed that they do. There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Amendment of Greenwich Street South Urban Design Services  
Analysis Agreement

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with H3 Hardy Collaboration (formerly Hardy Holzman Pfeiffer Associates LLP) for urban design consultant services in connection with the Greenwich Street South Urban Design Study to increase the expenditures thereunder by \$150,000 to an amount not to exceed \$795,000 in the aggregate and to extend the term of such agreement by an additional one year period; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included for planning and administration in the Corporation's annual budget for fiscal year ending March 31, 2006; 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.

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Ms. Chen then asked the Directors to authorize the LMDC to amend its agreement with URS Corporation for transportation consulting in connection with the Greenwich Street South Transportation Analysis. She explained that this request would fund continued traffic analysis work, including studies that focus on the demand for a bus storage facility in Lower Manhattan, construction mitigation while maintaining the Brooklyn Battery Tunnel traffic and local street operations, and configurations and operations of an automated bus system.

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

Amendment of Greenwich Street South Transportation Analysis Agreement

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with URS Corporation for transportation

consulting services in connection with the Greenwich Street South Traffic Study to increase the expenditures thereunder by \$150,000 to an amount not to exceed \$367,469.25 in the aggregate and to extend the term of such agreement by an additional one year period; and be it

FURTHER RESOLVED, that the expenditures approved hereby shall be allocated from funds included for planning and administration in the Corporation's annual budget for fiscal year ending March 31, 2006; 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.

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Ms. Brown then presented a request for issuance of a Partial Action Plan for use of up to \$7,000,000 of the Corporation's funds for Chinatown Community Development and Enhancement Projects. She explained that funding to the Chinatown Partnership LDC will allow that corporation to spearhead many community enhancement projects that emerge from the RCI study, including short-term capital projects and long-term planning to meet the community's needs over time. In particular, she noted, the LMDC funding will address one issue that has been identified consistently in post-September 11<sup>th</sup> studies on the neighborhood, which is sanitation. She explained that the LDC, in conjunction with the City of New York Department of Small Business Services, will implement a pilot

Clean Streets Program, which will be a comprehensive multi-year program.

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

Issuance of Partial Action Plan

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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) a Partial Action Plan for the use of up to \$7,000,000 of the Corporation's funds for Chinatown community development and enhancement projects, as described in the materials presented to the Board at this meeting:

FURTHER RESOLVED, that the President of the Corporation shall be authorized to make changes to the Partial Action Plan as may be necessary or appropriate to comport with applicable HUD requirements and to reflect public comments received on such Plan; and be it

FURTHER RESOLVED, that the agreements necessary to implement such Partial Action Plan, and the expenditures to be incurred by the Corporation in connection therewith, shall be submitted separately to the Board of Directors for authorization; and be it

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

\* \* \*

Next, Ms. Brown presented a request for an amendment to LMDC's Public Outreach Consultant Agreement in connection with the deconstruction of 130 Liberty Street.

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

Amendment of Public Outreach Consultant Agreement

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RESOLVED, that the Corporation is hereby authorized to amend its agreement with Ecology and Environment, Inc. for public outreach consulting services in connection with the 130 Liberty Street deconstruction project to increase the expenditures authorized thereunder by up to \$75,000 to an amount not to exceed \$200,000 in the aggregate, which shall be allocated from funds included in Partial Action Plan 7; 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.

\* \* \*

Mr. Pryor then asked the Directors to authorize LMDC to amend its LowerManhattan.Info Subrecipient Agreement to extend the term of the agreement through October 31, 2005. He noted that no further funding was being requested. Following this presentation, the Chairman read the relevant resolution into the

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

Amendment to LowerManhattan.Info Subrecipient Agreement

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RESOLVED, that the Corporation is hereby authorized to amend its subrecipient agreement with the City of New York for the LowerManhattan.Info program to extend the term of such Agreement through October 31, 2005; and be it

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

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There being no further business, the meeting was adjourned at 9:17 a.m.

Respectfully submitted,

Eileen McEvoy  
Assistant Secretary