

LOWER MANHATTAN DEVELOPMENT CORPORATION

**Amended Partial Action Plan No.7
for
World Trade Center Memorial and Cultural Program and
Lower Manhattan Tourism**

Overview

The Lower Manhattan Development Corporation (LMDC) has prepared the following Amended Partial Action Plan with regard to the \$2 billion federal grant for the World Trade Center disaster recovery and rebuilding efforts administered by the United States Department of Housing and Urban Development (HUD). LMDC received additional funding through a \$783 million grant from HUD for damaged properties and businesses (including the restoration of utility infrastructure) as well as economic revitalization related to the terrorist attacks at the World Trade Center. This plan details the proposed expenditure of an additional \$45,305,031.58, bringing the total amount allocated for this Partial Action Plan to \$221,439,136.84 of the remaining amounts from the \$2 billion allocation to fund the following items:

- 1. World Trade Center Memorial and Cultural Program**
- 2. Lower Manhattan Tourism**
- 3. Planning and Administration**

To date, HUD has approved nine Partial Action Plans totaling nearly \$1.86 billion out of the \$2.78 billion allocation. LMDC has issued a total of eleven Partial Action Plans. The approved and pending Partial Action Plans are listed in the table below:

PAP No.	Purpose of Partial Action Plan	Date Approved	Total Expenditure for PAP
1	Residential Grant Program, Employment Training Assistance Program, Interim Memorial, and Planning and Administration	9/25/2002	\$305,892,500.00
2	Business Recovery and Economic Revitalization	11/22/2002	\$350,000,000.00
3	Cultural and Community Development	6/14/2003	\$24,047,048.42
4	Short Term Capital Projects, Long Term Planning, Supplemental Funds for Business Recovery Grant Program	8/6/2003	\$156,105,103.00
S-1	New York Firms Suffering Disproportionate Loss of Life	9/15/2003	\$33,000,000.00
S-2	Utility Restoration and Infrastructure Rebuilding	9/15/2003	\$750,000,000.00
5	Tourism and Communications	1/28/2004	\$2,421,052.63
6	Affordable Housing	Pending submission to HUD	\$52,631,578.95

7	World Trade Center Memorial and Cultural Program and Lower Manhattan Tourism	7/6/2004	\$176,134,105.26
8	The World Trade Center Memorial and Cultural Program, Related Initiatives, and Lower Manhattan Tourism	11/23/2004	\$64,259,895.74
	Memorial Foundation (<i>Funds generated from program income and not 2.78 billion allocation.</i>)		\$1,000,000.00
9	World Trade Center Memorial and Cultural Program, Tribute Visitors' Center, Lower Manhattan.info, Pace Green Roof	Submitted to HUD 1/5/2005	\$51,442,105.26
Total Funding Allocated from \$2.78 billion allocation			\$1,965,933,388.26
Total Funding Allocated to Date			\$1,966,933,388.26

Versions of these plans are viewable on the LMDC website at http://www.renewnyc.com/FundingInitiatives/partialact_plans.shtml.htm

Future partial action plans will detail the projected expenditure of the remainder of funds available from the \$2 billion grant and will be subject to a public comment period with later submission to HUD.

The approved Partial Action Plan 7 proposed the allocation of \$176,134,105.26 for activities relating to the World Trade Center Memorial and Cultural Program, Lower Manhattan Tourism, and Planning and Administration. The amendments detailed below will bring the total amount of this Partial Action Plan to \$221,439,136.84.

The amended Partial Action Plan 7 proposes the allocation of additional funds in the amount of \$43,039,780 for the World Trade Center Memorial and Cultural Program as it relates to the acquisition and deconstruction of 130 Liberty Street. The additional costs associated with this project include, but are not limited to: added remediation and mitigation measures pertaining to 130 Liberty Street, as well as associated costs for construction management, air monitoring, community outreach, and integrity monitoring. There have been no amendments or changes to Lower Manhattan Tourism activities outlined in the original Partial Action Plan 7. Planning and administration funds have been adjusted to reflect the increased costs associated with the deconstruction of 130 Liberty Street for World Trade Center Memorial and Cultural Program.

Partial Action Plan Activities	Allocation from \$2 billion
World Trade Center Memorial and Cultural Program	\$164,077,400
World Trade Center Memorial and Cultural Program (Amended Allocation)	\$43,039,780
Lower Manhattan Tourism	\$3,250,000
Planning and Administration	\$8,806,705.26
Planning and Administration (Amended Allocation)	\$2,265,251.58
Total	\$221,439,136.84

Any change greater than 5% in the funding committed to a certain activity, the addition or deletion of any activity, or change in the designated beneficiaries of an activity constitutes a substantial amendment and such amendment will be available for public review and approval by HUD.

National Objective

The LMDC is a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development that was created in December 2001 to oversee the rebuilding and revitalization of Lower Manhattan. The activities contained in this Partial Action Plan have been designed to meet particularly urgent community development needs resulting from the September 11th World Trade Center disaster. These activities have particular urgency because LMDC has determined that existing conditions resulting from the September 11th World Trade Center disaster pose a serious and immediate threat to the health or welfare of the City of New York and the individual residents of the City and other financial resources are not available to meet such needs. The funds allocated in this Partial Action Plan relating to the World Trade Center Memorial and Cultural Program also are for the prevention of blight that could result absent intervention to address the existing conditions resulting from the events of September 11, 2001. The geographic areas of focus of this and future partial action plans are located in Manhattan, south of Houston Street.

Public Comment to the Partial Action Plan

Partial Action Plan 7, as approved, proposed to allocate funding for activities relating to the World Trade Center Memorial and Cultural Program and Lower Manhattan Tourism initiatives. These activities include, but are not limited to: acquisition of property, clean up and deconstruction, environmental review, legal costs, related public information and public participation activities, and downtown festivals that will promote tourism and benefit residents, workers, and businesses.

The original Partial Action Plan was made available for public comment from April 16, 2004 to April 30, 2004. Public comment was accepted by posted mail and electronically. LMDC placed Invitations to Public Comment for Partial Action Plan 7 in English, Spanish, and Chinese daily newspapers and in weekly community newspapers serving Lower Manhattan. LMDC delivered and mailed English, Spanish, and Chinese copies of this Partial Action Plan to over 90 civic and neighborhood-based organizations throughout Lower Manhattan including Community Boards 1, 2, and 3, civic organizations, several tenants' associations and public libraries. In addition, LMDC sent electronic copies of Partial Action Plan 7 in the three languages to over 170 organizations and individuals, including Good Old Lower East Side, Asian American Federation of New York, Soho Partnership, and elected officials who represent all or parts of Lower Manhattan south of Houston Street. An electronic update with a link to Partial Action Plan 7 was sent to members of the LMDC Advisory Councils, and numerous community and civic organizations.

LMDC received three public comments in response to the original Partial Action Plan 7. The received comments have been incorporated into this Partial Action Plan as Submitted to HUD and are presented and responded to in section **IV. Response to Public Comments**.

Public Comment to the Amended Partial Action Plan

This Partial Action Plan has been amended for World Trade Center Memorial and Cultural Program as it relates to the acquisition and deconstruction of 130 Liberty Street, also known as the Deutsche Bank building. The amendments to Partial Action Plan 7 were approved by the LMDC Board of Directors at the February 10, 2005 meeting.

The Amended Partial Action Plan 7 is open to public comment. HUD requires that the public comment period extend for thirty calendar days from the date of publication of this plan. Public comment must be made in writing and may be delivered to the LMDC either by posted mail or by electronic mail, addressed as follows:

By post to: Public Comment on Amended Partial Action Plan No. 7
Lower Manhattan Development Corporation
1 Liberty Plaza, 20th Floor
New York, NY 10006

Electronically on LMDC's, web site www.renewnyc.com under Funding Initiatives-Partial Action Plans – Comments.

The deadline for receipt of public comment is April 1, 2005. Comments delivered by fax or telephone cannot be considered.

Public Participation to Date

Since its inception, LMDC has solicited and received an unprecedented amount of public comment from all over the world regarding the rebuilding of the World Trade Center site, the creation of a permanent memorial, and the revitalization of Lower Manhattan. Several Advisory Councils representing a broad spectrum of groups affected by the World Trade Center attacks – including victims’ families, business owners, arts and cultural institutions, and downtown residents – have consulted with LMDC throughout the process on issues of concern to their respective constituencies.

LMDC conducts public meetings that provide an avenue for the public to express their thoughts and concerns about the rebuilding efforts and the revitalization of Lower Manhattan. Public meetings as well as meetings with the Advisory Councils have focused on the redevelopment of the World Trade Center site, the creation of a permanent memorial, and broader issues such as transportation, cultural and civic issues, and economic development in the aftermath of September 11, 2001.

LMDC conducts additional outreach initiatives, such as mailings to city, state, and federal elected officials and civic and community organizations, participates in Community Board meetings, and meets regularly with community groups, civic organizations, and public officials to ensure that the opinions of those impacted are taken into account. In the summer of 2003, LMDC conducted a series of outreach workshops in the communities of Lower Manhattan. At the workshops, participating members of the community described priorities for their communities and proposed projects to address those priorities.

LMDC has also sponsored several public exhibits that provided visitors with information and the opportunity to submit written comments on the revitalization efforts. LMDC has received nearly 10,000 comments at the exhibits.

On a continuous basis, the LMDC website solicits public feedback on a variety of topics, such as World Trade Center Site planning, the World Trade Center Site Memorial, transportation, Lower Manhattan neighborhoods, and Partial Action Plans. LMDC has received thousands of comments through its web site.

LMDC also gathers public input through its Funding Application Process. The Funding Application Process provides an opportunity for members of the public, through their funding proposals and subsequent meetings with LMDC staff, to articulate their perceptions of, and solutions to, the diverse needs of Lower Manhattan.

I. World Trade Center Memorial and Cultural Program

A. Needs and Objective

On September 11, 2001, terrorist attacks killed 2,749 people and destroyed every structure on the WTC Site, including the World Trade Center office towers, commercial and governmental low-rise buildings, the hotel, and the underground concourse, PATH terminal and subway stations. The structures on the Southern Site, adjacent to the WTC Site, were also destroyed or damaged by the events of September 11, 2001: the Deutsche Bank office tower at 130 Liberty Street was severely damaged and remains uninhabitable and the small St. Nicholas Church at 155 Cedar Street was destroyed. While the WTC Site remains closed to the public, a wide sidewalk and viewing area with a commemorative viewing wall has been created along the east side of the site on Church Street and the portion of Liberty Street between the WTC Site and the Southern Site is open to pedestrians from Church Street to the temporary bridge over West Street to Battery Park City.

The significant loss of life, jobs, and commercial space has affected the vitality of Lower Manhattan and continues to pose a threat to the financial, emotional, and cultural vitality of the neighborhood. The World Trade Center Memorial and Cultural Program is intended to counter the blighting effect of the events of September 11, 2001, and to provide a permanent memorial that will allow future generations to remember and honor the nearly 3,000 people who died on that day in New York City, in Shanksville, Pennsylvania, and at the Pentagon, as well as those who died in the terrorist bombing at the World Trade Center on February 26, 1993. The project will foster the growth of Lower Manhattan as a vibrant cultural and financial district, to remember and restore the WTC Site, and to repair the underlying fabric of Lower Manhattan.

B. Background

The culmination of LMDC's planning efforts for the redevelopment of the World Trade Center area is the World Trade Center Memorial and Redevelopment Plan (WTC Plan) in cooperation with the Port Authority of New York and New Jersey (Port Authority). As part of the Plan, LMDC proposes to implement the new memorial and cultural uses, embodied in the LMDC's Amended General Project Plan (GPP), dated September 16, 2003. The LMDC has undergone an extensive public process for over two years to develop the WTC Plan and other initiatives. The following is an overview of the components of this process.

Preliminary Blueprint and Principles

The Preliminary Blueprint and Principles laid groundwork for LMDC rebuilding and revitalization efforts. The Preliminary Blueprint proposed goals and objectives of the revitalization as well as actions to take to realize those goals.

The creation of a fitting memorial is the first goal in the Preliminary Blueprint, symbolizing its importance to the mission and objectives of LMDC. The first Preliminary Blueprint goal proposes to "Respect the site of the World Trade Center as a place of remembrance, and reserve an area of the site for one or more permanent memorials." It goes on to affirm, "A sacred, respectful memorial must be erected to honor the thousands who perished and the emergency responders who gave their lives in the line of duty."

The Preliminary Blueprint and Principles may be viewed on the website of the LMDC at <http://www.renewnyc.com/content/pdfs/PrinciplesBlueprint071102.pdf>.

Preliminary Design Concepts

In July 2002, the LMDC and the Port Authority released six design concepts for the WTC Site. These designs sparked a public debate, beginning with “Listening to the City,” a town hall forum attended by over 4,000 interested individuals. Through this public forum, LMDC was able to enrich and refine its redevelopment planning goals. The LMDC continued this dialogue by convening meetings with its Advisory Councils and by conducting public meetings in each of the five boroughs of New York City and New Jersey. An exhibit of the six design concepts was displayed at historic Federal Hall in Lower Manhattan, which drew over 17,000 visitors. Comment cards were distributed to visitors to allow them to provide feedback. The results of this public dialogue led to the next phase of the planning process, the Innovative Design Study.

Innovative Design Study

In fall of 2002, LMDC launched an international design competition for innovative land use plan for the WTC Site. Seven teams were selected out of 406 submissions. The teams were guided by the Innovative Design Study Program, which called for a fitting setting for the memorial, a distinctive skyline, mixed uses on the site, and enhanced transportation. After the release of the seven plans on December 18, 2002, LMDC embarked on Plans in Progress, an extensive public outreach campaign that again brought the public into the planning process. The outreach initiative involved an exhibition of the seven site plans at the World Financial Center Winter Garden that drew over 100,000 visitors, the distribution and collection of comment cards next to the exhibition, and a documentary of the seven teams each describing its design which was disseminated to every public library in New York City. Presentations of the seven designs could be viewed and comments submitted on the LMDC website. In addition, LMDC held a public hearing, which was simulcast in all five boroughs and Long Island, and a separate hearing in New Jersey. In total, the outreach campaign yielded over 13,000 comments.

On February 27, 2003, Governor George E. Pataki and Mayor Michael R. Bloomberg announced the selection of Memory Foundations by Studio Daniel Libeskind as the design for the WTC Site. As the master planner for the WTC Site, Studio Daniel Libeskind, L.L.C. is responsible for the Master Plan and Design Guidelines for the World Trade Center Site. A significant part of Studio Daniel Libeskind’s work on the Master Plan was the planning of an integrated memorial and cultural district that could accommodate the selected memorial design. Design concepts of Memory Foundations included the exposure of the slurry wall, the development of a memorial and cultural district adjacent to the slurry wall, and the creation of a 1,776-foot tall building, the Freedom Tower, which would restore the majestic skyline of Manhattan.

Master Planning Phase

In September 2003, the LMDC, Port Authority of New York and New Jersey, and Daniel Libeskind presented a revised master site plan. The revised site plan enhances the key design principles by relocating portions of commercial space off the WTC Site, providing for park space in the area south of Liberty Street, and placing truck and bus-servicing infrastructure away from the memorial area. The revised master plan may be viewed on the LMDC website at http://www.renewnyc.com/plan_des_dev/wtc_site/new_design_plans/Sept_2003_refined_design.asp.

In December 2003, Governor George E. Pataki and Mayor Michael R. Bloomberg unveiled the revised design for the Freedom Tower, the tallest building in the world. The design, which was conceived by Daniel Libeskind, was realized by architect David Childs of Skidmore, Owings and

Merrill. The Freedom Tower reflects the main design principles set forth in Memory Foundations. The torque geometric shape of the building resembles the Statue of Liberty. The Freedom Tower will contain 2.6 million square feet of office space, retail, rooftop restaurants, and an observation deck. A network of cables will rise above the occupied space to 1,550 feet and within the cables will be wind turbines capable of generating 20% of the building's energy. On top of the cables, a 276-foot spire will be placed. The building will include state of the art security technology including extra fireproofing, structural redundancy, and chemical and biological filters for the air supply.

Environmental Review of the Redevelopment of the World Trade Center Site

An important component of the planning process for the WTC Site is the development of a comprehensive strategic plan and an environmental review of this plan. The WTC Plan includes the construction of a Memorial, Memorial Center, and memorial-related improvements, as well as commercial, retail, museum and cultural facilities, new open space areas, new street configurations, and certain infrastructure improvements at the WTC Site and at certain adjacent sites to the south.

LMDC is conducting a coordinated environmental review of the WTC Plan, pursuant to federal statute, as the recipient of HUD Community Development Block Grant program funds (42 USC § 5304(g)) and as lead agency under both the National Environmental Policy Act (NEPA) and the New York State Environmental Quality Review Act (SEQRA) and its implementing regulations (6 NYCRR Part 617). LMDC has prepared a Generic Environmental Impact Statement (GEIS) as part of that review.

To guide the preparation of the GEIS, LMDC prepared a Draft Scope. The Scope was first reviewed at two public scoping meetings held at the Tribeca Performing Arts Center at the Borough of Manhattan Community College in July 2003. Public comments on the Draft Scope were received at the scoping meeting and in writing until August 4, 2003. LMDC addressed these comments in the Final Scope of the GEIS issued in September 2003.

In January 2004, the LMDC Board approved the Draft GEIS and it was released for public comment until March 15, 2004. Public hearings were held to solicit comment on the plan and the Draft GEIS at Pace University on February 18, 2004.

On April 13, 2004, the LMDC Board approved the Final Generic Environmental Impact Statement. On June 2, 2004, LMDC issued a Record of Decision and Findings Statement, concluding the environmental review process. Both documents are available on LMDC's website at www.Renewnyc.com.

Memorial Mission Statement and Program

LMDC made an early commitment to the establishment of a fitting memorial to honor those killed in the terrorist attacks on September 11, 2001 and on February 26, 1993, as well as to recognize the outpouring of emotional, material and financial support provided by businesses, government agencies, nonprofit organizations and individuals in response to the attacks. To guide the development of a memorial, the LMDC has developed a clearly defined process that is closely coordinated with the planning and redevelopment of the WTC Site. Two major components of the Memorial development process are the creation of a memorial mission statement and a memorial program. The LMDC Families Advisory Council developed the preliminary draft mission statement and program in the summer of 2002. The draft mission statement described the purpose

of the memorial, while the program described the principles that the memorial must embody and the elements it must feature to be considered in the memorial competition.

The draft mission statement and program were released for public comment from January 8, 2003 through February 2, 2003. The LMDC convened meetings of its Advisory Councils to discuss the draft mission statement and program, and a public hearing, which was held in Lower Manhattan and simulcast to every borough of New York City and Long Island, was held on January 14, 2003. Comments were also received on the LMDC website. By the end of the comment period, LMDC received over 2,000 comments. Two separate committees, convened by the LMDC and comprised of family members, residents, survivors, first responders, arts and architecture professionals and community leaders drafted a revised version of the mission statement and programs which incorporated the public comments. The finalized memorial mission statement and program are viewable on the LMDC's website at <http://www.renewnyc.com/Memorial/memmission.shtml.htm>.

Memorial Competition

In April 2003, the LMDC launched a worldwide competition to design a memorial at the WTC Site to honor the victims of the terrorist attacks of September 11, 2001 and February 26, 1993. The LMDC received 5,201 memorial design submissions from 63 nations and 49 states making it the largest design competition in history. On November 19, 2003, the LMDC unveiled the eight finalists' designs for the World Trade Center Site Memorial Competition. Images of three-dimensional models of the designs and of key design elements, as well as animations of the finalists' concepts for their designs are viewable on the Memorial Competition website: <http://www.wtcsitememorial.org/>.

On January 6, 2004, the thirteen-member World Trade Center Site Memorial jury announced the winner of the memorial design competition, *Reflecting Absence*, by architect Michael Arad and landscape architect Peter Walker. On January 14, 2004, World Trade Center Site Memorial winners Michael Arad and Peter Walker presented a refined memorial design. The design proposes a space that conveys the feelings of loss caused by the destruction of the World Trade Center and the death of thousands of individuals on September 11, 2001 and February 26, 1993. The design features reflecting pools within sunken voids that encompass the footprints of the Twin Towers within a grove of trees and provides a final resting place for the unidentified remains of those killed in the terrorist attacks of September 11, 2001 and February 26, 1993.

Cultural Institutions at the WTC Site

LMDC issued an Invitation to Cultural Institutions on June 30, 2003 to solicit information from cultural institutions and organizations interested in locating on or participating in cultural programming at the WTC Site. Cultural institutions will contribute energy and diversity to Lower Manhattan while establishing Lower Manhattan as a cultural hub. They will celebrate life and provide a fitting environment for remembrance. In total, the LMDC received 113 expressions of interest in being located on the WTC Site.

LMDC established criteria for the cultural institutions to be located on the WTC Site, including: celebration of life while providing an appropriate setting for remembrance; creation of a critical mass of opportunities to improve the quality of life in Lower Manhattan, a diverse range of cultural programs for residents and businesses, and the potential for contributing to the economic development of the WTC Site and New York City.

On June 10, 2004, the LMDC announced the selection of a vibrant mix of institutions to be located on the WTC Site. The Joyce International Dance Center, the International Freedom Center, the Signature Theatre, and the Drawing Center have all been offered space on the site. In addition to their own programming, the institutions will host other events and organizations such as the Tribeca Film Festival and the Orpheus Chamber Ensemble. Performance spaces, screening rooms, galleries, education programs, and rehearsal spaces will also be made available for community and cultural uses.

Other Resources

World Trade Center Memorial Foundation, Inc.

On February 6, 2004, Governor George E. Pataki and Mayor Michael R. Bloomberg announced the appointment of a nine-member search committee to select the Chair of the World Trade Center Memorial Foundation, Inc. The Foundation is a non-profit entity that will raise funds for and coordinate the planning and construction of the memorial, the interpretive museum, and related cultural facilities on the WTC Site. The Chair of the Foundation will lead a distinguished Board of Directors in undertaking the historic fund-raising campaign to implement architects Michael Arad's and Peter Walker's design for the memorial on the WTC Site.

On December 1, 2004, Governor George E. Pataki and Mayor Michael R. Bloomberg announced the selection of the Board of Directors, composed of civic and business leaders, leading philanthropists, statesmen, and victims' family members from around the World. In addition, Presidents Gerald Ford, Jimmy Carter, George H.W. Bush, and William J. Clinton will serve as Honorary Members, and have pledged their support for the Foundation. The Foundation will undertake coordination of funding and construction of an interpretive center, which will preserve artifacts from the attacks and convey individual stories of lives lost, as well as conduct fundraising for the related cultural facilities. For more information regarding the World Trade Center Memorial Foundation, Inc. please visit their website at:
<http://www.wtcmemorialfoundation.org/>

The memorial and cultural institutions will be funded with a combination of private funds donated by individuals and groups to the Foundation, public investment, and investment that will be made by the cultural institutions that are selected to locate on the site.

C. World Trade Center Memorial and Cultural Program

LMDC, a subsidiary of the Empire State Development Corporation (a political subdivision and public benefit corporation of the State of New York), is proposing to undertake, pursuant to the New York State Urban Development Corporation Act (UDC Act) and in cooperation with the HUD and the Port Authority, the World Trade Center Memorial and Cultural Program (the Memorial Program) as part of the implementation of the WTC Plan. LMDC will implement the Memorial Program which includes the planning, selection, coordination and construction of a memorial, memorial center, and the planning and possible construction of memorial-related improvements, and museum and cultural uses on the WTC Site and adjacent areas to complement the redevelopment of commercial office space, retail space, conference center and hotel facilities, open space areas, and certain infrastructure improvements by the Port Authority, the owner of the WTC Site. The planning process will also include other appropriate public and private entities.

LMDC and Port Authority Roles

LMDC will be responsible for implementation of the memorial, memorial Center, interpretive museum, and cultural uses that comprise the Memorial Program, while the Port Authority will be responsible for the commercial, retail, conference center and hotel facilities, open space areas, and infrastructure components of the WTC Plan to be located at the WTC Site. LMDC and the Port Authority will cooperate in developing a plan for implementation of the components of the WTC Plan to be located outside the WTC Site. LMDC is conducting a coordinated environmental review of the combined WTC Plan.

In carrying out the Memorial Program, LMDC conducted an international competition for the selection of the memorial design. LMDC will provide initial funding for the design, development, and construction of the memorial, will plan for memorial-related improvements and museum and cultural facilities and uses, and will oversee the overall implementation of the memorial as well as the museum and cultural programming and possibly, elements of the WTC Plan, including all required coordination with HUD, the Port Authority, the State of New York, the City of New York and other public and private entities. LMDC will also coordinate the Memorial Program with the plans and implementation schedule for the WTC Plan.

Project Area

The WTC Plan Project Area is located in Lower Manhattan on two sites: (i) the WTC Site, an approximately 16 acre super block, bounded by West, Vesey, Church, and Liberty Streets; and (ii) two adjacent city blocks south of the WTC Site (one bounded by Liberty, Washington, Albany and Greenwich Streets, and the other bounded by Liberty, West, Cedar and Washington Streets), Washington Street between Liberty and Cedar Streets, and subsurface portions of Liberty Street and other streets in and around those blocks (collectively, the “Southern Site”). This Partial Action Plan pertains to the parcel at 130 Liberty Street, on which sits an office tower known as the “Deutsche Bank building.”

Acquisition of Property and Associated Costs

The Deutsche Bank building at 130 Liberty Street was severely damaged on September 11, 2001 and remains unoccupied. Consistent with the original Partial Action Plan 7, LMDC acquired the Building from Deutsche Bank on August 31, 2004, and is planning to deconstruct it.

As outlined in the original Partial Action Plan 7, LMDC acquired the 130 Liberty Site pursuant to a mediated settlement agreement among Deutsche Bank, two of Deutsche Bank’s insurers of the building (“Prior Insurers”), and LMDC. Under the agreement, LMDC would pay \$90 million to Deutsche Bank for title to the 130 Liberty Site and LMDC would be responsible for certain costs associated with the remediation and deconstruction of the Deutsche Bank building, up to \$45 million. LMDC projected approximately \$25-\$29 million in additional costs in connection with the remediation and deconstruction of the Deutsche Bank building. These additional costs related to, among other things, the procurement of pollution liability insurance, the retention of an entity to serve as LMDC’s representative in the day-to-day management of the remediation and deconstruction process, the undertaking of additional environmental review, testing, and monitoring during the deconstruction process, and legal and other transaction fees and expenses. Other expenditures included consultant fees and costs associated with the required public notices and public outreach for the acquisition of property and continuation of the environmental review process. Accordingly, LMDC expected to pay an aggregate of \$164 million for all costs associated with acquiring title to 130 Liberty Street and the remediation and deconstruction of the Deutsche Bank building, which together would create a parcel ready for redevelopment.

Amendment to Projected Costs Associated with Property Acquisition

Following the approval of Partial Action Plan 7 and consistent with the mediated settlement, LMDC entered into agreements with the Prior Insurers and with Deutsche Bank that realized the transactions and provided for a \$45 million cap on LMDC's cost of deconstruction, demolition, and related cleaning and disposal (subject to certain exceptions). Specifically, a "Demolition Cap Agreement" provides, among other things, that the Prior Insurers shall pay all incremental costs above the \$45 million cap, to the extent those incremental costs are necessary to comply with the legal requirements applicable to the cleaning and removal of hazardous materials related to September 11, 2001.

In addition, after acquiring the building on August 31, 2004, LMDC entered into a contract with Gilbane Building Company to clean and deconstruct the building. LMDC has engaged environmental consultants to conduct independent environmental testing and characterization of the Building. The testing and characterization process is ongoing and the initial results were released on September 14, 2004. On December 13, 2004, LMDC and Gilbane Building Company issued a Draft Phase 1 Deconstruction Plan. The Plan was released publicly and submitted to the appropriate regulatory agencies for comment. This initial draft Deconstruction Plan was prepared in response to the Initial Building Characterization, and with direction from the New York State Department of Labor. Based on comments provided by regulatory agencies, including specific comments delivered on January 31, 2005, LMDC will revise the draft Plan and submit a revised Phase 1 Deconstruction Plan to the regulators. After a final Phase 1 Deconstruction Plan is approved by the regulators, gross cleaning and deconstruction will commence. The projected increase in project costs reflects anticipated changes to the scope of the cleaning and deconstruction resulting from environmental testing, comments received from regulatory agencies, and revised projected costs provided by the contractor.

Based on the additional information regarding the characterization of material in the building and the related legal requirements, additional cleaning and deconstruction work, resources, and services are needed, including added remediation and mitigation measures, additional construction management, additional legal services, additional environmental consulting services, and enhanced integrity monitoring.

Although the amended allocation is intended to cover costs associated with the additional work and resources, LMDC will seek to recover all such incremental deconstruction costs attributable to the application of legal requirements applicable to the cleaning and removal of hazardous materials. This recovery effort necessitates the assistance and representation of environmental, real estate, and litigation counsel in order to ensure the comprehensive and aggressive pursuit of contractual and legal avenues available to LMDC. The increased allocation will allow work to proceed on the deconstruction while LMDC pursues recovery of the funds. Therefore, LMDC anticipates that these funds will be used only to fund the work during this interim period and that the increased expenditures that are the result of legal requirements will be substantially recovered from the Prior Insurers and/or Deutsche Bank, as appropriate.

Project Objectives

The rebuilding of the Project Area as a mixed-use center of commerce, public spaces, and culture, with the memorial at its heart, will advance the goals of the UDC Act, the objectives developed by LMDC and the goals articulated by the Governor of the State of New York and the Mayor of the City of New York—to remember and honor the victims of the September 11, 2001 and February 26, 1993 terrorist attacks while revitalizing Lower Manhattan. The acquisition of real

property that is blighted and deteriorated is essential to the realization of the redevelopment of the Project Area.

Remembering the Victims of the Terrorist Attacks

The memorial will ensure that future generations never forget the thousands of people who died on September 11, 2001 in New York, in Shanksville, Pennsylvania and at the Pentagon in Virginia, as well as those who died in the terrorist bombing of the World Trade Center on February 26, 1993. The memorial will be set in a context that bustles with the activity of Lower Manhattan, yet provides a quiet and respectful setting for remembrance and contemplation. Family members of victims and visitors from around the world will come to the Project Area to learn about the events of September 11, 2001 and February 26, 1993 and to remember those who died and those whose lives were changed forever.

Revitalizing Lower Manhattan

The current conditions of the Project Area are “substandard and insanitary” under the UDC Act and impair the sound growth and development of Lower Manhattan. In addition, there is a need for the development of cultural, recreational, community and other civic facilities in Lower Manhattan.

Restoring the Project Area as a functioning part of Lower Manhattan is a priority objective for this project. This project is intended to eliminate the blighting effects resulting from the events of September 11, 2001, and to re-establish the Project Area as a locus of commerce, civic space and amenities, including appropriate commercial and retail uses, as well as supporting facilities, utilities and infrastructure, for the downtown area. While Lower Manhattan is a center of world finance and a major economic engine for the entire region, it has also become the fastest growing residential neighborhood in New York City and a major destination of regional, national and international travelers. For these reasons, revitalization of Lower Manhattan should include cultural and other amenities that help make the area a lively environment all day, every day.

The long-term presence of an essentially empty, excavated space in the heart of New York’s financial district would become a blight that makes the area less attractive for businesses, residents and visitors. It is important to New York City’s economy that, as business leases in Lower Manhattan come up for renewal, businesses will have confidence that the Project Area will be redeveloped as quickly as possible to reduce its blighting effect on the immediate area.

Beneficiaries

The thousands of relatives and friends of the nearly 3,000 victims of September 11, 2001 and February 26, 1993 will benefit from the memorial to their loved ones. Others immediately affected by the events, including survivors, area residents and workers, will equally benefit from the project. This project will also benefit businesses, workers, residents, and visitors throughout Lower Manhattan.

Schedule

Activities related to the acquisition and deconstruction of property would occur in 2004 and 2005. The full implementation of the Memorial Program would begin in 2004 and extend through 2009.

Federal and Other Resources

The total project cost for this portion of the Memorial Program will not exceed \$164 million. Funding for the acquisition of 130 Liberty Site and related activities will come from the remaining LMDC CDBG allocation. Funding sources for other portions of the Memorial Program other than LMDC's CDBG allocation will include both public and private investment, including private investment pertaining to the cultural institutions that will be located on the WTC Site.

Total Estimated Cost

The total estimated cost for this portion of the World Trade Center Memorial and Cultural Program was \$164 million in the approved Partial Action Plan. With the additional amount not to exceed \$43,039,780.00, the amended estimated project cost is \$207,117,180.00. These additional funds will come from the remaining LMDC CDBG allocation and are expected to be recovered from the Prior Insurers and/or Deutsche Bank as set forth above.

II. Lower Manhattan Tourism

The Tribeca Film Festival and the Splendor of Florence Festival will be enjoyed by Lower Manhattan residents and workers and will bring spectators from the greater metropolitan region to Lower Manhattan. In 2003, the Tribeca Film Festival brought over 300,000 people to Lower Manhattan and contributed upward of \$50 million to the local economy. The Splendor of Florence Festival is estimated to attract one and a half million people.

The Tribeca Film Festival and the Splendor of Florence Festival will provide free cultural and educational activities for residents, workers, and visitors of Lower Manhattan, while benefiting the local economy and cultural institutions. Festival visitors will patronize local businesses. Similarly, the festivals' programs such as the Tribeca Film Festival Panels and Splendor of Florence's the Uffizi at Federal Hall, will draw attention to the cultural institutions in which they are held.

Tribeca Film Festival

The Tribeca Film Festival was the first major event to be held in Lower Manhattan after September 11, 2001. Since 2002, the Tribeca Film Festival has been a major event drawing hundreds of thousands of visitors to Lower Manhattan. The inaugural Festival in May 2002 became a critical and popular success attended by more than 150,000 people and generating more than \$10.4 million in revenues for Tribeca merchants. In addition to the screening of films by up-and-coming filmmakers, the Tribeca Film Festival provides free programs that make the Tribeca Film Festival a beneficial event for the Lower Manhattan cultural, residential, and business community. LMDC has received letters of support for the funding of these free programs from Lower Manhattan elected officials and civic organizations, including Senator Hillary Rodham Clinton, Speaker of the State Assembly Sheldon Silver, and Assemblymember Deborah Glick. To ensure that these events continue, LMDC will provide funding for the following events and guides for the 2004 and 2005 Festivals: the Family Festival, the Drive-In, the Panels and Workshops, the production of the Tribeca Film Festival Guide, and the operation of the year round Tribeca All-Access program, the products of which are featured at the Festival.

The Tribeca Family Festival is a street fair and family celebration, in which an array of activities and performances unfold over a seven-block stretch of Greenwich Street from Duane to Hubert Streets. Local schools, merchants, restaurants, and civic organizations participate in this all day, family-friendly celebration. Special performances are held all day long on boulevard stages and

throughout the Festival streets, along with surprise appearances by favorite characters from movies, books, and television. In the true spirit of the diversity of Downtown New York City, the Festival plans to embrace elements from the rich cultures of adjacent neighborhoods. Event elements that celebrate Chinatown, Little Italy, and other neighboring communities will be explored for inclusion in this year's event, as well as performing groups from South Africa. Approximately 250,000 people attended the Family Festival in 2003. This Festival provides a wonderful community event for local families who have made Lower Manhattan their home. It also attracts visitors from outside of Lower Manhattan to the Tribeca area.

At the three-day Drive-In, viewers can watch classic movies on Pier 25 and look at classic cars that are displayed courtesy of General Motors. Approximately 7,200 people attended the Drive-In in 2003.

The Panels and Workshops are offered throughout the Film Festival to a variety of audiences. Last year the Panels and Workshops included storytelling and discovery trips with many favorite film and storybook characters and real life heroes. Children attended the popular "I Spy" interactive adventure led by Walter Wick, who created the well-known Scholastic book series and had an arts and crafts workshop with a favorite canine, "Clifford the Big Red Dog." Al Pacino led a panel for high school students and adults on understanding, acting, and directing Shakespeare. Another panel focused on issues facing minority filmmakers.

The Tribeca Film Festival Guide is a comprehensive booklet that contains information on all of the Film Festival's events and films. The mini-guide provides descriptions and location information for the films and events of the Festival, and screening times for the films, events and screening calendars. LMDC has worked and will continue to work with the Tribeca Film Festival to ensure that the mini-guide reflects the other attractions of Lower Manhattan including the museums participating in the History and Heritage Campaign and other downtown communities such as Chinatown and the Lower East Side.

The Tribeca All-Access Program connects US-based minority filmmakers with the decision-makers in the film industry. Annually, the Tribeca Film Institute selects twenty film projects with minority directors. The Institute invites the selected directors and the film screenwriters to meetings during the week of the Tribeca Film Festival with industry representatives in order to facilitate dialogues that will lead to the production of the directors' films. In addition to attending these meetings, the directors and screenwriters are invited to events, which are attended by the industry representatives.

Project Area

The Tribeca Family Festival will take place over a seven-block stretch of Greenwich Street from Duane to Hubert Streets, while the Tribeca Drive-In will occur at Pier 25.

Schedule

The 2004 Tribeca Film Festival will occur from May 1 to May 9. The 2005 Tribeca Film Festival is scheduled to occur the first week of May; however the date may change. To view a detailed schedule of the Tribeca Film Festival, visit: www.tribecafilmfestival.org.

Federal and Other Resources

The total project cost is \$3.0 million for a two-year funding program for the Tribeca Film Festival. These funds will come from the remaining LMDC CDBG allocation. Other resources

for the funding of this project include sponsorships and in-kind donations by corporations, as well as support from the Tourism Board of South Africa.

Splendor of Florence Festival

Splendor of Florence is a festival of artistic, cultural, musical, culinary, and educational events that celebrates a premier city of art and culture – Florence, Italy. The Splendor of Florence Festival enjoyed great success in its debut in Providence, Rhode Island in 1999 and again in Philadelphia, Pennsylvania in 2001. In October 2004, the Festival will open in Lower Manhattan in multiple venues in and around the World Financial Center. The 2004 Festival is themed “The Original Renaissance of Lower Manhattan.”

The festival consists of several programs including:

Artisans in the Winter Garden, at which sixteen highly acclaimed artisans from Florence and Tuscany will demonstrate their centuries-old art in the World Financial Center Winter Garden in shops designed to resemble their own in Italy.

The Uffizi at Federal Hall will transform one of New York’s most historic landmarks – Federal Hall -into a Florentine museum for a period of two months with an exhibition of paintings from the permanent collection of the prestigious Uffizi Gallery. Included in the exhibition will be a collection of newly restored paintings, which have not been seen by the public for over a century.

Concerts in the Winter Garden will be given by opera singers from Maggio Musicale Fiorentino and musicians from the Scuola di Musica di Fiesole.

Tastes of Tuscany-In the center of the Winter Garden, a Piazza Fiorentina will be created for guest chefs and wine experts to hold a series of educational lectures, tastings, and classes.

Windows on Old Florence includes the display of a collection of photographs of Florence in the first half of the 20th century, which was recently exhibited at the Uffizi Gallery.

Focus on Florence- A series of films with the City of Florence in the leading role will be screened in locations throughout the city.

Discover Florence and Tuscany- public and parochial Schools will be invited to participate in organized tours of the various events of the Festival.

Family Weekend at Liberty Park is a weekend event for families that will feature art and artisan classes, storytelling, musical entertainment and treasure hunts.

Tuscany Today is an interactive audio-visual program that will enable visitors to take a virtual tour of Tuscany.

Project area

The project area of the Splendor of Florence Festival consists of Lower Manhattan, defined as the area south of Houston Street. The Splendor of Florence Festival will take place in multiple venues

around Lower Manhattan. It will be centrally located at the Winter Garden at the World Financial Center, but will hold programs at Federal Hall and Liberty Park.

Schedule

The Splendor of Florence Festival will occur over nine days in October 2004.

Federal and Other Resources

The total expenditure for the Splendor of Florence Festival will not exceed \$250,000. Funding will come from the remaining LMDC CDBG allocation. Other sources of funding for this activity include sponsorships and in-kind donations from corporations and participating artisans and businesses.

Total Estimated Cost

The total estimated cost for Lower Manhattan Tourism is \$3.25 million.

This program is eligible for HUD funding to be used to aid the travel and tourism industry in New York City as allowed and required by the Defense Appropriations Act of 2002, Public Law 107-117.

III. Planning and Administration

LMDC engages in broad planning and administration activities relating to the recovery, remembrance, and rebuilding efforts in Lower Manhattan, defined by LMDC as the entire area of Manhattan south of Houston Street.

As outlined in this Partial Action Plan, LMDC's planning activities began with the site planning for the WTC Site and the areas immediately surrounding the site. The agency's off-site planning activities include the other neighborhoods in Lower Manhattan that have been affected by September 11th and its aftermath. Specifically, LMDC's planning activities include analyses of Lower Manhattan's transportation, traffic, housing and related amenities, open space, and economic development capacity, needs, and potential. Based on the results of these analyses, LMDC will continue to develop and propose concept plans for specific areas and projects in Lower Manhattan.

LMDC's administrative activities include and will continue to include extensive public information and coordination activities relating to its LMDC planning work. As part of its coordination activities, LMDC serves as a facilitator of outreach and discussions between affected communities as well as the public at large and government agencies and officials. LMDC's public information work will continue to include large-scale public meetings and hearings; periodic printed newsletters and reports; an up-to-date, comprehensive, and interactive web site (www.RenewNYC.com); extensive electronic communications; and other public outreach and participation efforts. In addition, LMDC continues to maintain its network of community contacts through its Advisory Councils.

HUD has authorized the use of up to 5% of the total CDBG allocation to LMDC for costs associated with planning and administration activities, including costs for overhead, personnel, and consultants. The original Partial Action Plan proposed the allocation of \$8,806,705.26 towards LMDC's planning and administrative activities. Based on the amendments to the World Trade Center Memorial and Cultural Program, as it relates to the acquisition and deconstruction

of 130 Liberty Street, an additional \$2,265,251.58 has been added, increasing the total amount allocated for planning and administrative activities to \$11,071,956.84.

IV. Responses to Public Comment

This section describes the comments received from the public following the release of this proposed Partial Action Plan for public comment during the period of April 16, 2004 to April 30, 2004. LMDC received three comments on Partial Action Plan 7. These comments were submitted by the Labor Community Advocacy Network (LCAN), Margaret Hughes of the Good Old Lower East Side (GOLES), and New York Environmental Law and Justice Project.

A. WORLD TRADE CENTER MEMORIAL AND CULTURAL PROGRAM

LCAN and Ms. Hughes requested a public review of the financing of the acquisition of the 130 Liberty Site. LCAN and Ms. Hughes also requested an explanation of potential sources of funding. In particular, Ms. Hughes questioned whether other sources of funding for the deconstruction of the former Deutsche Bank building on the 130 Liberty Site existed, including the Empire State Development Corporation (ESDC) or the Federal Emergency Management Agency (FEMA). She suggested that if other sources of funding could be located, the LMDC and HUD should re-evaluate the use of LMDC CDBG funding for the acquisition and deconstruction of the 130 Liberty Site.

In addition, LCAN requested information about the relationship of the 130 Liberty Site to the WTC Site.

As discussed in section I (C) *Federal and Other Resources*, the acquisition of the 130 Liberty Site and related activities will be funded through a \$164 million allocation from the LMDC CDBG funding and through private and public funding sources. Private and public funding sources will be identified as the deconstruction and redevelopment progresses.

LMDC did consider whether other sources of funding existed for the acquisition of the 130 Liberty Site and the deconstruction of the former Deutsche Bank building. ESDC has no funds available for such an acquisition and similarly no FEMA funds are available for the deconstruction.

As discussed in section I (C) *Acquisition of Property and Associated Costs*, the acquisition of the 130 Liberty Site is integral to the implementation of the WTC Plan. Specifically, its inclusion will allow for the construction of bus parking and/ or other infrastructure, the reduction of density on the WTC Site by moving the proposed fifth office tower to the 130 Liberty Site, and thereby the reservation of sufficient space for the proposed memorial and cultural facilities on the WTC Site.

This partial action plan relates to the preparation and acquisition of the 130 Liberty Site. Future partial action plans will identify LMDC and other possible sources of funding for the development of the 130 Liberty Site.

B. ACQUISITION AND DECONSTRUCTION OF THE 130 LIBERTY SITE

The New York Environmental Law and Justice Project expressed concern about potential health effects related to the deconstruction of the 130 Liberty Site. They requested that the LMDC provide information on the funding that will be allocated to monitor air quality of the area surrounding the 130 Liberty Site during the deconstruction, as well as information on the number and location of air monitoring stations. Additionally, they requested the placement of an air monitoring station close to 130 Liberty Street for the firehouse of Engine 10/Ladder 10.

Details concerning the precise costs of air quality monitoring and the number and locations of air quality monitoring stations have not yet been determined. Air quality monitoring for the firehouse of Engine 10 and Ladder 10, located next to 130 Liberty Street will be considered in the air-monitoring plan.

C. LOWER MANHATTAN TOURISM

LCAN and Ms. Hughes raised concerns about the Tribeca Film Festival's need for LMDC funding at the current funding level. Additionally, LCAN expressed concerns about wage standards and career opportunities for jobs being created by the Tribeca Film Festival.

The Tribeca Film Festival is a cultural and economic boon to Lower Manhattan. The inaugural Festival in May 2002 was attended by more than 150,000 people and generated more than \$10.4 million in revenues for local economy. The second annual Tribeca Film Festival brought more than 300,000 people downtown and in excess of \$50 million to the local economy. Central to the success of the Tribeca Film Festival are the free, public programs it provides. These include but are not limited to the Drive-In and the Family Festival. These events were created to provide free entertainment and recreational activities for the Lower Manhattan community, as well as to attract large numbers of visitors to an area still impacted by the aftermath of September 11, 2001. LMDC is providing funding for these free events for the next two years to ensure that these important free non-revenue generating programs continue.

As referenced in **II. Lower Manhattan Tourism, Tribeca Film Festival**, LMDC received letters supporting the funding of the Tribeca Film Festival from several Lower Manhattan elected officials and a civic organization. These letters emphasized the economic and social contributions of the Tribeca Film Festival to Lower Manhattan.

The Tribeca Film Institute has taken extensive efforts to hire individuals who are of low and/ or moderate-income. In particular, the Tribeca Film Institute recruited employees through New York City agencies such as the Human Resource Administration and the Department of Small Business Services. The nine-day Tribeca Film Festival created over 500 temporary jobs and contributed to the retention of two full time permanent jobs. Temporary employees at the Tribeca Film Festival were paid the New York State prevailing wage and were paid overtime for all hours worked over 40 hours per week. Full-time employees receive salaries based on the prevailing wage that corresponds with the level of responsibility of their jobs. They also receive medical and health benefits. The Tribeca Film Institute has and continues to hire temporary staff into full time positions. Presently, the Tribeca Film Institute is taking steps to hire one of the temporary employees for the 2004 Tribeca Film Festival into a full time position.

In addition to thousands of individuals attending the Tribeca Film Festival events and those working at it, 2,000 volunteers from all over the country assisted with the 2004 Festival. Similar to the visitors and workers of the Festival, these volunteers contributed to the local economy through their patronage of Lower Manhattan restaurants, stores, and entertainment venues.

D. PLANNING AND ADMINISTRATION

LCAN requested clarification of past and future planning and administration expenditures.

In each partial action plan, LMDC provides a description of LMDC Planning and Administrative activities. LMDC's planning and administrative activities initially focused on planning for the

WTC Site. These activities have continued coupled with planning and related activities for all of the communities of Lower Manhattan. Such off-site planning includes studies focusing on housing and related amenities, traffic, open spaces, and economic development and potential capacity. Recommendations from these studies will assist LMDC with developing and proposing concept plans for specific communities and projects in Lower Manhattan. Key to on-site and off-site planning are LMDC's extensive public outreach and coordination efforts. As noted in section **III. Planning and Administration**, these outreach efforts support the planning and development of programs. These administrative efforts include large-scale public meetings and hearings, a comprehensive website, regular newsletters, electronic outreach, and facilitation of discussions among various Lower Manhattan stakeholders.

E. COMMENT PERIOD

LCAN expressed disappointment in the length of the public comment period for Partial Action Plan 7 and recommended the implementation of four-week public comment periods for all partial action plans.

Moving forward, LMDC will release all partial action plans for public comment for a period of thirty days.