

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 (WTC) 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 amendment to the Partial Action Plan proposes reductions of \$3,007,500 from Short Term Capital Projects, \$2,738,000 from Long Term Planning, and \$5,554,000 from the WTC Business Recovery Grant Program as outlined below. This amendment would also remove the \$9,500,000 reallocation of Employment Training Assistance Program funds from Partial Action Plan 4; changes to the Employment Training Assistance Program are described in an amendment to Partial Action Plan 1, where the program was originally introduced. The impact of the proposed amendments to Partial Action Plan 4 is to reduce the allocation by \$1,799,500 to \$154,305,603.

Purpose of the Amended Partial Action Plan

- To meet urgent community development needs resulting from the events of September 11, 2001;
- To meet long-term economic recovery needs including redevelopment and revitalization of the affected areas; and
- To eliminate the blighting effects resulting from the events of September 11, 2001.

Short Term Capital Projects

- The amendments to the Partial Action Plan propose the elimination of funds for the Millennium High School. The New York City School Construction Authority was able to secure alternative funding to cover these expenses and LMDC funds were not required. \$3,007,500 previously allocated to the Millennium High School will be reallocated in the Final Action Plan.

Long Term Planning

- The Amended Partial Action Plan 4 as Approved by HUD on February 28, 2006 allocated \$13,894,848 to Long Term Planning, including funds to identify and evaluate long-range opportunities to provide enhanced rail access to the Lower Manhattan Central Business District from John F. Kennedy Airport and from the Long Island Railroad Station in Jamaica, Queens. The actual cost of the transportation studies that led to the current environmental review of the Rail Link was \$2,738,000 less than originally estimated. Funds allocated to Long Term Planning are therefore being reduced by this amount to a revised total of \$9,356,848.

WTC Business Recovery Grant Program

- Partial Action Plan 4 also allocates \$74,500,000 to the Business Recovery Grant Program established by ESDC in cooperation with the City EDC. The program eligibility period has ended and the total amount disbursed is \$68,945,914. The allocation will be reduced by \$5,554,086 to reflect the actual amount disbursed.

Reallocation of Employment Training Assistance Program

- Partial Action Plan 1 allocated \$10,000,000 for the Employment Training Assistance Program (ETAP). The need for such a program was significantly lower than originally anticipated and Partial Action Plan 4 included a reduction of \$9,500,000 to the ETAP. The reduction to ETAP registered as a \$9,500,000 reduction to the Partial Action Plan 4 allocation. LMDC is now proposing to remove all references to ETAP from Partial Action Plan 4 and to Amend Partial Action Plan 1 to reflect the actual spending for the ETAP. By removing the \$9,500,000 offset from Partial Action Plan 4, this change has the effect of increasing the allocation for Partial Action Plan by \$9,500,000.