

LOWER MANHATTAN DEVELOPMENT CORPORATION

Proposed Amendments to Partial Action Plan 10 and Partial Action Plan 12

Overview

Lower Manhattan Development Corporation (LMDC) is the recipient of a \$2 billion federal grant for the World Trade Center (WTC) disaster recovery and rebuilding efforts for Lower Manhattan. LMDC received \$783 million in additional federal funds for damaged properties and businesses (including the restoration of utility infrastructure) as well as economic revitalization related to the terrorist attacks at the WTC Site. Both of these federal grants are administered by the United States Department of Housing and Urban Development (HUD).

Twelve LMDC Partial Actions Plans (PAPs) and one Final Action Plan (FAP) allocate the entire \$2 billion grant towards remembrance, rebuilding, and renewal initiatives in Lower Manhattan, defined by LMDC as the entire area of Manhattan below Houston Street. All funds within the \$783 million grant were allocated through LMDC PAPs S-1 and S-2.

The proposed amendments will reallocate \$1,000,000 in funding from the East River Waterfront Access portion of the East River Waterfront Project in PAP 10 to the Fulton Corridor Open Spaces portion of the Fulton Corridor Revitalization Program in PAP 12. In addition, the proposed amendment will establish revised, maximum allocations for the specific components of the Fulton Corridor Revitalization Program in PAP 12. The proposed amendments are designed to ensure that there is sufficient funding for the Open Spaces portion and increase the overall allocation for the Fulton Corridor Revitalization Program from \$38,000,000 to \$39,000,000. At the same time, the overall allocation for the East River Waterfront Projects will be reduced by \$1,000,000 with a specific reduction in the Waterfront Access portion from \$10,420,000 to \$9,420,000.

The current versions of PAP 10 and PAP 12, as well as other PAPs, are available on LMDC's website, www.renewnyc.com, at http://www.renewnyc.com/FundingInitiatives/partialact_plans.asp

Any change greater than 5% in the funding committed to a certain program, the addition or deletion of any program, or change in the designated beneficiaries of a program constitutes a substantial amendment and such amendment will be available for public review and approval by HUD. Any change greater than 15% in the funding committed to activities identified as part of the Fulton Corridor Revitalization Program in PAP 12 constitutes a substantial amendment.

Other PAPs detail the expenditure of the remainder of funds from both the \$2 billion and the \$783 million appropriations and have been subject to a public comment period. Versions of these plans are viewable on the LMDC website <http://www.renewnyc.com/FundingInitiatives/PartialActionPlans.aspx>

Public Comment

The proposed amendment is a substantial amendment that is open to public comment as required by HUD to extend for thirty calendar days from the date of publication of the proposed amendment. Public comment must be made in writing and may be delivered to LMDC either by posted mail or by electronic mail as follows:

By post to: Public Comment on Amended PAP 10 and PAP 12
Lower Manhattan Development Corporation
1 Liberty Plaza, 20th Floor
New York, NY 10006

Electronically at LMDC's website, www.renewnyc.com, under Funding Initiatives – PAPs – Comments.

The deadline for receipt of public comments is April 21, 2010 at 5 P.M. Comments delivered by fax or telephone cannot be considered.

Proposed Amendments to PAP 10 and PAP 12

This proposed amendment will reallocate \$1,000,000 of the \$10,420,000 allocated to East River Access portion of the East River Waterfront Project in PAP 10 to the Fulton Corridor Open Spaces portion of the Fulton Corridor Revitalization Project in PAP 12, leaving \$9,420,000 for the East River Access Project. In addition, the proposed amendment will establish revised, maximum allocations for the specific components of the Fulton Corridor Revitalization Program in PAP 12.

The following tables detail the current allocations for each of the two Action Plans and the proposed changes:

| | Allocation Approved 2/28/06 | Proposed Reallocation | Proposed Revised Allocation |
|---|--------------------------------|--------------------------|-----------------------------------|
| PAP 10 Activities | | | |
| Hudson River Park Segment 3 | \$70,000,000 | | \$70,000,000 |
| East River Waterfront Projects: | | | |
| East River Waterfront Esplanade and Piers | \$139,580,000 | | \$139,580,000 |
| East River Waterfront Access | \$10,420,000 | -\$1,000,000 | \$9,420,000 |
| Local Transportation and Ferry Service | | | |
| Lower Manhattan Street Management Program | \$4,800,000 | | \$4,800,000 |
| Lower Manhattan Ferry Service | \$4,200,000 | | \$4,200,000 |
| East Side K-8 School | \$20,000,000 | | \$20,000,000 |
| Fiterman Hall Reconstruction | \$15,000,000 | | \$15,000,000 |
| New York Stock Exchange | \$15,000,000 | | \$15,000,000 |
| Chinatown Local Development Corporation | \$7,000,000 | | \$7,000,000 |
| Lower Manhattan Tourism: | | | |
| Explore Chinatown Campaign | \$160,000 | | \$160,000 |
| Splendor of Florence | \$226,000 | | \$226,000 |
| Planning and Administration | \$15,072,947 | | \$15,072,947 |
| Total PAP 10 Activities | \$301,458,947 | | \$300,458,947 |
| PAP 12 Activities | | | |
| WTC Memorial and Memorial Museum | \$100,000,000 | | \$100,000,000 |
| Fulton Corridor Revitalization Program | | | |
| Open Spaces | \$11 million - \$12.5 million | \$1,000,000 | \$16,500,000 |
| Retail and Façade Grant Program | \$12.5 million - \$19 million | | \$15,000,000 |
| Streetscape and Street Wall Improvements | \$7 million - \$13 million | | \$7,500,000 |
| Total Fulton Corridor Revitalization Program | \$38,000,000 | | \$39,000,000 |
| Lower Manhattan Neeighborhood Parks and Open Spaces | \$19,500,000 | | \$19,500,000 |
| Total PAP 12 Activities | \$157,500,000 | | \$158,500,000 |

Please refer to approved PAP 10 and PAP 12 as published on LMDC's website (<http://www.renewnyc.com/FundingInitiatives/PartialActionPlans.aspx>) for the full text of those plans.

I. East River Waterfront Access Program

As described in PAP 10, the East River Waterfront Access Program would redesign Catherine Slip, Rutgers Slip, and Montgomery Slips as median open spaces with unifying elements such as seating, paving, and plantings, and reinforce Peck Slip’s historic character by adding a new vibrant pedestrian plaza with a plantings and a water feature, recalling the days when the East River actually flowed into the slips. This Program originally included an “East West Connector,” which contemplated an improved north-south access that would have opened the closed-off roadway next to Pier 42 and created a walkway and bikeway on the waterside section of the road with a berm parallel to the walkway/bikeway. This portion of the project was removed due to construction coordination issues with other Lower Manhattan projects and expected delays in its completion and the \$1,000,000 budgeted for it is no longer needed.

The proposed amendment would reallocate \$1,000,000 from the East River Waterfront Access Program in the PAP 10 to the Fulton Corridor Revitalization Program in PAP 12. This amendment would reduce the allocation for East River Waterfront Access from \$10,420,000 to \$9,420,000 and increase the allocation for Fulton Corridor Revitalization by \$1,000,000.

II. Fulton Street Revitalization: Incentive & Streetscape and Open Spaces

As described in PAP 12, the Fulton Corridor Revitalization Program consists of a Grant Program that provides funding for storefront and façade improvements to be made in conjunction with appropriate Design Guidelines, Streetscape and Street Wall Improvements, and an Open Spaces component that provides for the enhancement of two existing open spaces along the Fulton Corridor and the creation of two new open spaces. The costs associated with construction of the Open Spaces have increased, requiring additional funding. To ensure that improvements to the four open spaces along the Fulton Corridor can be completed, a reallocation of funds is needed.

The proposed amendment will increase the overall allocation in PAP 12 for the Fulton Corridor Revitalization Program from \$38,000,000 to \$39,000,000. In addition, the proposed amendment will establish specific maximum amounts for the Open Spaces, Grant Program, and Streetscape and Street Wall Improvement activities that are part of the Fulton Corridor Revitalization Program.

| Fulton Corridor Revitalization Program | Allocation |
|--|--------------|
| Open Spaces | \$16,500,000 |
| Grant Program | \$15,000,000 |
| Streetscape and Street Wall Improvements | \$7,500,000 |
| Total | \$39,000,000 |

These amendments will ensure that the Open Space program is completed without any reduction in scope, while permitting the Grant Program and the Streetscape and Street Wall Improvements to proceed as planned.

Public Comment received on Amendment to Partial Action Plan 10

Public comment on the amendment to this Partial Action Plan was accepted from March 22 through April 21, 2010 by posted mail and electronically. LMDC received 1 public comment.

The one comment received to the amendment came from Community Board 3, Manhattan. It asserted that the reduction of HUD funding for the East River Connector open space as part of the East River Access Program would have an ill affect on that area due to the lack of open green space in general.

LMDC's efforts to aid in the redevelopment of Lower Manhattan include providing grants for park rehabilitation and creation throughout the entire island of Manhattan South of Houston Street. Part of that effort has been and will continue to be accomplished through a partnership with the City of New York, and the Department of Parks and Recreation.

This amendment does not reduce the amount of funding for open spaces in Lower Manhattan. The amendment provides additional funding for the City of New York's Fulton Street Open Spaces project by reallocating funding from the East River Connector open space project. The funding for the Fulton Open Spaces is needed and can be used now, while it is not possible to proceed with Connector project at this time because the City of New York has determined that the physical property for the Connector project must remain in its current use for several years to come.

Furthermore, the City of New York intends to allocate other Federal Funding for the Connector project, and they will commence that work when the land is available.

LMDC working with its Subrecipient, the City of New York is committed to increasing green space throughout the district. In the portions of Manhattan Community Board 3 that are within the LMDC catchment area, we have already rehabilitated and created many new open spaces through funding from PAPs 3 and 4 including: 4 East River Park Ball fields, Al Smith Playground, Sara D Roosevelt Park and Columbus Park. Through PAPs 10, 12 and the Final Action Plan LMDC is also funding additional rehabilitation and new open space projects in Manhattan Community Board 3. These projects, which are in the planning and ground breaking phase include: the East River Esplanade, Hester Street Playground, a Little League Ball Field at Corlears Hook Park and the Allen / Pike Street Malls. LMDC continues to provide funding for the other aspects of the East River Access Program, which will provide the residents of Community Board 3 with enhanced access to the Waterfront and increased green spaces along Catherine, Montgomery and Rutgers Slips.