

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
One World Financial Center, 24th Floor
New York, NY 10281
October 25, 2011

Members Present

William C. Thompson, Jr., Chairman
Frank J. Branchini, Member
Donald A. Capoccia, Jr., Member
David B. Cornstein, Member
Robert J. Mueller, Member
Fernando Mateo, Member

Authority Staff in Attendance: Gayle M. Horwitz, President and Chief Executive Officer
Daniel Baldwin, Senior Development Counsel
Lauren Brugess, Administrative Assistant
Megan Churnetski, Assistant General Counsel and Assistant
Corporate Secretary
Gwen Dawson, Director, Strategic Planning
Sydney Druckman, Director, Special Projects
Anne Fenton, Senior Research Analyst
Kevin Finnegan, Senior Project Manager, Construction
Stephanie Gelb, Vice President, Planning & Design
Robert Holden, Vice President, Human Resources
Carl D. Jaffee, Senior Development Counsel and Corporate
Secretary
Wilson Kimball, Senior Vice President, Operations
Karl Koenig, Controller
Lisa Miller, Vice President, Internal Audit and Compliance
Stan Molinski, Director, Information Technology
Leticia Remauro, Vice President, Community Relations, Diversity
and Press
Robert M. Serpico, Senior Vice President, Finance and
Treasurer/Chief Financial Officer
Phyllis Taylor, Executive Vice President/General Counsel and
Chief Administrative Officer

Others in Attendance: Tessa Huxley, Battery Park City Parks Conservancy
Dianne Renzulli, Battery Park City Broadsheet
David Cheikin, Brookfield Properties
Therese Kreuger, Downtown Express
Julie Shapiro, Downtown Express

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 10:01 a.m.

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The first item on the agenda was the approval of the minutes of the September 13, 2011 meeting.

Upon a motion made by Mr. Mueller and seconded by Mr. Mateo, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE SEPTEMBER 13, 2011 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on September 13, 2011 are hereby approved.

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The next item on the agenda, presented by Ms. Horwitz, was the President's Report.

Ms. Horwitz noted that on September 22, the first soccer practice took place on the new ball fields. Games commenced on Saturday, followed by a community opening ceremony on Sunday morning, she stated. "With the renovation of the Battery Park ball fields we've converted the field facility into the most sustainable ball field in the United States," she said.

She continued by stating that Hudson River Park Trust and the Authority continue to work together with regard to West Thames Park and recently posted new guidelines for the park, which were determined by Community Board 1.

Next, she announced that this Fall, the Conservancy has organized a series of illustrated talks on enjoyable topics related to BPCA's immediate surroundings. These programs are free of charge to Battery Park City seniors. The Conservancy is also working with the Senior Citizen community in Battery Park City to create programming on the new ball fields during the unused hours of the days.

Ms. Horwitz also mentioned that she was recently asked to speak at the President's Council Luncheon of the New York Building Congress to share with them details regarding BPCA's current projects.

Next, she reminded the Members that Battery Park City is home to the New York City Police Memorial and that this year, nine names were added to the list of deceased officers. Each of these officers died from 9/11 related illnesses, she stated. She noted that she was asked to say a few words at the ceremony at which the names were officially added and she was joined by Mayor Bloomberg and Police Commissioner Kelly at that occasion.

Mr. Cornstein noted the tremendous success of the ball field project stating that it is a "fantastic service."

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The next item on the agenda, introduced by Ms. Horwitz and presented by Mr. Serpico, was a request to approve the Battery Park City Authority budget for the fiscal year ending October 31, 2012.

Mr. Serpico highlighted preliminary results regarding fiscal year 2011 ("FY11"). Total revenues are up \$1.6 million over budgeted revenues of \$217.5 million, he said. He continued by explaining that total commercial revenues were over budget by \$811,000 primarily due to increased PILOT from the World Financial Center Towers A and D, and the NYMEX building. These favorable variances were offset by a decrease in the assessment for World Financial Center Tower C, resulting in \$1.7 million less than the budget estimate, he said. The World Financial Center, Goldman Sachs and NYMEX leases account for approximately \$104 million or approximately 49% of actual total recurring lease revenues, he stated.

Total residential revenues were under budget by \$1.7 million, primarily due to unbudgeted 421(a) PILOT abatements for Sites 23 and 24. Approximately \$2.4 million of unbudgeted, non-recurring revenues were received in FY11 primarily from transaction payments from the sale of condominium units in the buildings at Sites 16/17 and Site H/I, he said.

Next, Mr. Serpico explained that the Authority funded \$63.5 million of the budgeted \$73 million in FY11 to meet the 2003 and 2009 Bond Resolution funding requirements to pay debt service for the 2011 bond year. He then stated that operating expenses were under budget by approximately \$1.4 million in FY11.

The total FY11 estimated Operating Budget of approximately \$28.4 million is expected to be under budget by approximately \$1.4 million with actual expenditures for FY11 of approximately \$27 million. The State Cost Recovery Fee mandated to be paid to the State is estimated by the State Division of Budget at \$4.8 million, he noted. Actual total Excess Revenues, \$123.8 million, were \$12.6 million higher than the budgeted expectation, he reported.

Pursuant to the Settlement Agreement with New York City, Mr. Serpico continued, the PILOT-related portion will be provided to the City following the completion of the fiscal year-end audit and the balance will be retained by the Authority in the Joint Purpose Fund ("JPF") for use as determined jointly by the parties. It is estimated that approximately \$89.1 million will be transferred to the City for the PILOT-related portion and \$34.7 will be retained in the JPF, he said.

Mr. Cornstein congratulated Management, and particularly Mr. Serpico, for its performance with regard to this budget. He also commented that he would recommend that the Authority work to create new innovative and creative techniques that would increase revenues and reduce costs and maintain service levels.

Ms. Horwitz stated that the Authority's challenge in the next year is going to be looking for such new opportunities.

Next, Mr. Serpico presented the proposed budget for Fiscal Year 2012 ("FY12") to the Members. Commercial lease revenues will increase approximately \$9.8 million primarily as a result of increased PILOT payments from the Goldman Sachs headquarters building. Residential lease revenue will increase by approximately \$2.6 million as a result of scheduled increases in

land rents and increased rents from additional PILOT collections. This year, he stated, the Authority is budgeting two payments on its outstanding Build America Bonds.

There is anticipated to be a net decrease of approximately \$603,000 in operating budget expenditures for FY12 over the prior fiscal year, Mr. Serpico said. The total proposed FY12 operating budget of \$27.8 million represents a decrease of \$528 thousand from the FY11 budget of \$28.4 million. The Authority has budgeted approximately \$122.5 million in excess revenues from operations, he noted.

Then, Mr. Mueller requested that Management address the amount of its legal fees. Ms. Taylor stated that the legal budget will be conservative going forward. She stated that because Pier A is an ongoing project, there has been and will continue to be the potential need for legal counsel for Pier A. Additionally, the Authority needs counsel at the ready because there are some construction claims coming to fruition. Further, she stated, there was a lateral transfer of an employee to the legal department which caused an adjustment in the budget. Because she has been at the Authority for less than a year, she does not have a historical track record to rely on at the Authority, she said, but she will have a better sense of how to further reduce the budget next year.

Mr. Cornstein then noted that the dollars spent on outside law firms seems very high. Ms. Taylor explained that Management will be issuing Requests for Proposals for outside counsel and that once that process is completed, the actual budgeted numbers will likely be lower. Mr. Thompson stated that outside spending on law firms used to be higher and it continues to go down. Mr. Branchini commented that he believed that for an entity of this size, the external law firm costs are quite low.

Mr. Branchini requested that Management create a business plan to exhibit the Authority's accomplishments in 2011. Ms. Horwitz stated that she would be happy to.

Upon a motion made by Mr. Branchini and seconded by Mr. Mueller, the following resolution was unanimously adopted:

APPROVAL OF AUTHORITY BUDGET FOR FISCAL YEAR 2012

BE IT RESOLVED, that the budget of the Authority for the fiscal year ending October 31, 2012, substantially in the form presented to this meeting be, and hereby is, approved and ordered filed with the records of the Authority; and be it further

RESOLVED, that the President or Treasurer of the Authority be, and each of them hereby is, directed to file said budget and related information with all parties as required pursuant to all outstanding bond resolutions, agreements and requirements of law.

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The next item on the agenda, presented by Ms. Horwitz, was a request to (1) authorize the amendment of BPCA's current contract with the New York City Department of Parks and Recreation ("NYCDPR") to increase the compensation level to \$1,484,357.66 and to extend the term of the contract to April 30, 2012 and (2) authorize the execution of a new one-year contract

with two one-year renewal options with NYCDPR, which will begin on February 1, 2012. The total cost for each year of the new contract will be approximately \$2,662,278, she said.

In 2009, Ms. Horwitz explained, the Authority entered into a one year contract with NYCDPR which included two one-year renewal options. The Authority has exercised one of the two renewal options and is currently operating under the second one-year renewal period, she said. The Authority has paid NYCDPR through the end of the first quarter, which ended on March 31, 2011.

Because of an increase in the NYCDPR fringe benefit rates for certain officers which became effective July 1, 2011, the contract amount is being increased and the Members are being asked to amend the existing contract in order to pay for these increases, Ms. Horwitz stated. The total increase for the remaining three years of the contract is \$1,484,357.66 including a payment in the amount of \$471,395.66 for the second quarter, which covers the period from May through July 1, 2011 and payments for the third quarter, from August 1, 2011 through October 31, 2011 and the fourth quarter, from November 1, 2011 through January 31, 2012, which will be \$506,481 per quarter.

In addition, since the Authority has historically experienced a delay in receipt of invoices from the NYCDPR for PEP services, staff is seeking authorization to extend the term of the current contract through April 30, 2012 to pay any outstanding invoices.

In an effort to continue parks enforcement and security services without interruption, Ms. Horwitz continued, the Authority has negotiated a new one year contract with NYCDPR with two one-year renewal options. The term of the contract will be one year, beginning on February 1, 2012, with two one-year renewal options at a total per annum cost of \$2,662,278. Staffing levels will remain the same, with 45 PEP officers, she reported. The contract will include a Uniform Cleaning Allowance which is collectively bargained by the City of New York and is not subject to negotiation, she stated. NYCDPR has offered BPCA a 20% discount in the amount of \$451,413 per annum for each year of the new contract.

Although not completely analogous, Ms. Horwitz said, in an effort to determine whether the costs relating to the new PEP contract are reasonable, staff analyzed and compared the cost structure found at Roosevelt Island Operating Corporation, another public benefit corporation, which has its own internal public safety staff. Essentially, what Management determined is that Roosevelt Island entity employs fewer people and spends a little more money than the Authority does. In response to an inquiry by Mr. Cornstein, Ms. Horwitz stated that the Authority does not have its own internal security staff but does employ additional private security personnel.

Upon a motion made by Mr. Capoccia and seconded by Mr. Mueller, the following resolutions were unanimously adopted:

AUTHORIZATION TO AMEND CURRENT CONTRACT WITH THE NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION TO PROVIDE PARK SECURITY SERVICES

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or her designee(s) be, and each of them hereby is, authorized to execute an amendment to the contract with the New York City Department of Parks &

Recreation to provide certain services relating to security and enforcement of park regulations at Battery Park City (the "Amendment"), increasing the compensation level to \$1,484,357.66 to cover the remaining three quarters of the contract; and authorizing the extension of the term of the current contract to April 30, 2012; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Amendment; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

AUTHORIZATION TO ENTER INTO A NEW CONTRACT WITH THE NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION FOR PARK SECURITY SERVICES

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or her designee(s) be, and each of them hereby is, authorized to execute a one-year contract, with two one-year renewal options, with the New York City Department of Parks & Recreation for a not to exceed amount of \$3,000,000 per annum; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, introduced by Ms. Horwitz, was a request to authorize a contract with JFD Office in an amount not to exceed \$975,000 for furniture, fixtures and equipment ("FF&E") items required for the completion of the Battery Park City Community Center

Ms. Horwitz reminded the Members that in October 2009, they authorized the Authority to enter into an agreement with Asphalt Green to manage the community center. As part of that agreement, she continued, the Authority is responsible for outfitting the community center including but not limited to FF&E. The total FF&E budget is approximately \$2,800,000, which will cover furniture, fixtures and equipment including low voltage items such as phones and computers. JFD Office, identified as an MBE on the state contract list, will provide small fitness center equipment like kettlebells, pool equipment such as lifejackets, office equipment like desks, lamps, garbage pails and laundry bins, and multipurpose room equipment at a cost of \$975,000. The Authority has already placed an order with JFD for Precor gym equipment for the fitness center at a cost of \$249,998.50, she noted.

Upon a motion made by Mr. Capoccia and seconded by Mr. Branchini, the following resolution was unanimously adopted:

AUTHORIZATION OF CONTRACT WITH JFD OFFICE TO PROVIDE FURNITURE, FIXTURES AND EQUIPMENT (“FF&E”)

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or her designee(s) be, and each of them hereby is, authorized to execute a contract with JFD Office in the amount of \$975,000.00 for furniture, fixtures and equipment (“FF&E”) items required for the completion of the Battery Park City Community Center - Site 23/24; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and then take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, presented by Ms. Horwitz, was a request to authorize an extension of two years to the term of the lease with Gigino at Wagner Park LLC for the operation of a restaurant in Robert F. Wagner, Jr. Park.

Ms. Horwitz reminded the Members that on March 19, 1999, the Board authorized a lease with Gigino at Wagner Park LLC (“Gigino”) for the construction and operation of a restaurant in Robert F. Wagner, Jr. Park, at the southern end of Battery Park City. The Gigino lease commenced on June 16, 1999 and terminated on September 30, 2011, she said. The tenant has been occupying the space on a month-to-month basis for the past month. Rather than issuing

a Request for Proposals from restaurant operators for a new lease at this time, she stated, Management recommends that the RFP be delayed for two years., to account for the changed circumstances anticipated from the redevelopments of Pier A and the World Trade Center site. The annual rent for the two year extension would be \$68,527.39 or 8% of gross annual receipts, whichever amount is higher. she reported. The Authority has received an appraisal from Metropolitan Valuation Services, an independent appraiser retained by the Authority, that such rent is not less than the fair market value of the premises.

Upon a motion made by Mr. Mueller and seconded by Mr. Capoccia, the following resolutions were unanimously adopted:

AUTHORIZATION TO EXTEND TERM OF LEASE WITH GIGINO AT WAGNER PARK LLC FOR THE OPERATION OF A RESTAURANT IN WAGNER PARK

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or her designee(s) be, and each of them hereby is authorized to execute an agreement (the "Extension Agreement") extending for two years the lease with Gigino at Wagner Park LLC for the operation of a restaurant in Robert F. Wagner Jr. Park at an annual rental rate of \$68,527.39 or 8% of gross annual receipts, whichever amount is higher; and be it further

RESOLVED, that the President of the Authority or her designee (s) be, and each of them hereby is authorized and empowered to execute and deliver the Extension Agreement on behalf of the Authority, subject to such changes as the officer or officers executing the Extension Agreement shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority. such approval to be conclusively evidenced by the execution and delivery of the Extension Agreement: and be it further

RESOLVED, that the President of the Authority or her designee (s) be, and each of them hereby is authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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Next, the Members recessed the meeting for a meeting of the Battery Park City Authority as sole member of the Battery Park City Parks Conservancy and for a meeting of the Directors of the Battery Park City Parks Conservancy. The meeting of the Members thereupon resumed at 11:10 a.m.

Next, upon a motion by Mr. Thompson, the Members voted unanimously to conduct an executive session pursuant to Section 105.1(h) of the Public Officers Law for the purpose of discussing matters regarding the leases of real property on Site 14 and the World Financial Center, and Section 105.1(d) regarding proposed, pending or current litigation. No actions were taken by formal vote at the executive session, and the Members thereupon resumed after the conclusion of the executive session.

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The next item on the agenda, presented by Ms. Horwitz, was a request to authorize the President of the Authority or her designee(s) to execute an amendment or amendments to the Authority's lease with A Living Memorial to the Holocaust: Museum of Jewish Heritage, severing the lease into two separate documents, one with respect to the originally-constructed building and one with respect to the East Wing, and to authorize the Museum to grant to Bank of America a mortgage lien on the latter portion of the building.

Upon a motion made by Mr. Cornstein and seconded by Mr. Mueller, the following resolutions were unanimously adopted:

AUTHORIZATION TO AMEND LEASE WITH A LIVING MEMORIAL TO THE HOLOCAUST: MUSEUM OF JEWISH HERITAGE

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute an amendment or amendments to the Authority's existing lease with A Living Memorial to the Holocaust: Museum of Jewish Heritage, severing the lease into two separate documents, one with respect to the originally-constructed building and one with respect to the East Wing of the Museum, and to authorize the Museum the right to grant to Bank of America a mortgage lien on the latter portion of the building, with specified rent increases to occur in the event that the Museum shall no longer be the tenant under that lease (jointly, the "Amendment"); and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidence by the execution and delivery of the Amendment; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, presented by Ms. Horwitz, was a request to authorize four items with regard to the renovation of the World Financial Center by Brookfield Financial Properties, L.P. including a request for: (1) approval of a proposed Marketplace and Dining Terrace Agreement; (2) approval of a proposed Agreement regarding a Project Operating Agreement; (3) approval of a proposed amendment to the Tower B Severance Lease, between the Authority and WFP Tower B Co. LP and (4) approval of a proposed agreement (the "Pavilion Agreement") among the Authority, BFP, Amex, Merrill, and various entities affiliated with BFP, Amex and Merrill.

Upon a motion duly made and seconded, the following resolutions were unanimously adopted:

Resolutions

(1) Approval of a proposed Marketplace and Dining Terrace Agreement (the "MDTA"), among Battery Park City Authority (the "Authority"), Brookfield Financial Properties, L.P. ("BFP"), American Express Company ("Amex"), Merrill Lynch, Pierce Fenner & Smith Incorporated ("Merrill"), and various entities affiliated with the Authority, BFP, Amex and Merrill.

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Marketplace and Dining Terrace Agreement ("MDTA") on behalf of the Authority, substantially in the form described at this Meeting, subject to such changes as the officer or officers executing the MDTA shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of the MDTA; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

(2) Approval of a proposed Agreement regarding Project Operating Agreement ("Agreement re: POA"), among the Authority, BFP, Amex, and Merrill.

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Agreement regarding Project Operating Agreement ("Agreement re: POA") on behalf of the Authority, substantially in the form described at this Meeting, subject to such changes as the officer or officers executing the ("Agreement re: POA") shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of the ("Agreement re: POA"); and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

(3) Approval of a proposed amendment to the Tower B Severance Lease, between the Authority and WFP Tower B Co. LP.

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver an amendment, between the Authority as Landlord and WFP Tower B Co. LP, as Tenant (the "B Lease Amendment"), to the Lease Agreement dated as of June 13, 1983 (as amended and assigned, the "Tower B Severance Lease"). on behalf of the Authority, to adjust the rental under said Lease so as to reflect the terms presented to this meeting, and as discussed in executive session, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of the B Lease Amendment; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

(4) Approval of a proposed agreement (the "Pavilion Agreement") among the Authority, BFP, Amex, Merrill, and various entities affiliated with BFP, Amex and Merrill.

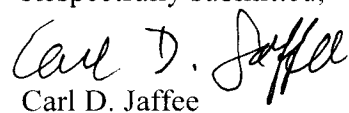
RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Pavilion Agreement on behalf of the Authority, substantially in the form described at this Meeting, subject to such changes as the officer or officers executing the Pavilion Agreement shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Pavilion Agreement; and be it further

RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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There being no further business, the meeting thereupon adjourned at 11:59 a.m.

Respectfully submitted,


Carl D. Jaffee