



Summer 2007 Lower Manhattan Rebuilding Summary

The second quarter of 2007 saw notable progress on the rebuilding and revitalization of the WTC Site and its surroundings. JP Morgan Chase and the Port Authority announced in June that the financial services giant will develop a new 1.3 million square foot office tower at Site 5, where the damaged former Deutsche Bank building is being dismantled. Deconstruction of that building at 130 Liberty Street suffered a setback when a steel beam fell from the roof down through the ceiling of a nearby fire house. Deconstruction work was halted for two weeks while officials tightened safety procedures, and work resumed in early June, with the Lower Manhattan Construction Command Center now stating that deconstruction will be completed by the first quarter of 2008.

Construction on the Goldman Sachs headquarters advances steadily with the building now rising 10 floors above ground. Foundation work also continues apace at the WTC Site where the Freedom Tower, Towers 2-4, and the Memorial and Memorial Museum will stand. Construction of the "east bathtub" has advanced significantly, requiring the relocation of the temporary PATH station 50 feet south along Church Street. By early 2008, the station entrance will be relocated to Vesey Street to allow for additional site work.

WTC Development

In September of 2006, The Port Authority (PA) and Silverstein Properties (SP) reached an agreement on how commercial development will proceed at Ground Zero. Under the agreement, SP will build and retain the rights to three office towers along Church Street between Vesey and Liberty Streets. There are extensive penalties on the Port Authority if it does not deliver the site on time and on Silverstein Properties if it does not deliver the buildings on time. Additionally, the Lower Manhattan Development Corporation (LMDC) is responsible for implementing the Memorial and its cultural uses which are designed to re-establish the World Trade Center as a center of commerce, civic space and amenities. The other two development sites at the WTC will be turned over to the PA: the Freedom Tower, which will be constructed by SP; and Site 5 (where 130 Liberty Street still stands), which will be the home of a new building for JP Morgan Chase. All five office buildings are scheduled for completion by 2012.

When completed, the WTC redevelopment program will comprise 10.1 million sf of Class A commercial office space and at least 500,000 sf of retail, as well as the World Trade Center Memorial and Memorial Museum, a performing arts center and the new, permanent PATH terminal.

Freedom Tower

Designed by David M. Childs of Skidmore, Owings & Merrill, the 2.6 million square foot building will rise to 1,362 feet, the height of the original WTC South Tower, while an illuminated antenna will rise from the center of the building, bringing it to a height of 1,776 feet, equaling that of the original North Tower and making this the world's tallest building. It will also use the latest green building technologies including renewable energy, interior day-lighting, reuse of rainwater, and recycled construction debris and materials.

The Freedom Tower will have 69 office floors, a restaurant, an enclosed observation deck on the 102nd floor, and a two-level broadcast facility. The design also provides for below-grade shopping and access to the PATH, subway trains and World Financial Center. These uses will all sit on top of a square 200-foot concrete base (clad in glass prisms) that includes the building's lobby, which has 50' high ceilings. Located on the northwest corner of the WTC site, the 102-story building features a main lobby entry on Fulton Street for office tenants, while observation deck visitors and restaurant diners enter from the West and Washington Street sides of the building, respectively.

In February of 2006, the Port Authority board unanimously approved \$2.9 billion of funding for the Freedom Tower's construction, allowing \$500 million dollars in construction contracts to proceed. Starting in December 2006, contractors poured 3,000 cubic yards of concrete to prepare the tower's core and foundation and began bolting massive 25-ton, 35-foot steel columns into the foundation that will ultimately form the building's perimeter. Since March, contracts have been about 50% completed, a second crane was installed, work on the foundation and structural steel continues. The building remains on schedule for occupancy in 2012.

WTC Towers 2, 3 and 4

Three world-renowned architects unveiled striking designs for Towers 2, 3, and 4 in September 2006 and completed the design development phase on July 1st of this year. Lord Norman Foster designed the 2.3 million sf Tower 2 with 78 floors (including 63 office floors and four trading floors) and 143,000 sf of retail space. Lord Richard Rogers designed Tower 3 at 2.1 million sf with 71 floors (including a 3-story glass atrium lobby, 54 floors of offices and 5 trading floors) and 133,000 sf of retail space. Finally, Fumihiko Maki designed the 1.8 million sf Tower 4 with 61 floors (including an atrium restaurant) and 146,000 sf of retail space. Cortlandt Street will remain open between Towers 3 and 4 to create more street-level activity around the Site's Church Street frontage and to provide a striking view of the tree-filled WTC memorial plaza.

To assist in securing project financing, the City and the PA each agreed to rent 600,000 sf in the 61-story Tower 4. (SP has the option until 9/08 of leasing this space to corporate tenants at higher rates.) In the Freedom Tower, New York State has agreed to lease 415,000 sf, while U.S. Customs & Border Protection has executed a Memorandum of Agreement for 600,000 sf. The Customs office had occupied 591,890 sf at 6 WTC, and will move from three buildings where it had relocated after 9/11 (One Penn Plaza, 601 West 26th Street and a New Jersey location).

The PA began site excavation in the fall of 2006 to enable completion of the required infrastructure for the 70-foot-deep foundation, or "bathtub," on the eastern edge of the site for Towers 3 and 4. The southern wall of the bathtub was completed and remaining walls are expected to be completed by the end of 2007, while the building site for Tower 2 will be done by June 2008. Silverstein Properties has begun the process of bidding the contracts for foundation work and is on track to begin construction when the PA delivers of the sites at the end of 2007. The buildings themselves are scheduled to open in 2011.

130 Liberty Street Deconstruction

130 Liberty Street, formerly owned by Deutsche Bank, was severely damaged by falling debris from the collapse of the twin towers on 9/11. LMDC acquired the 40-story building in August of 2004. After the EPA and other agencies approved comprehensive decontamination, air monitoring, and deconstruction plans, decontamination began in March 2006. The floor-by-floor deconstruction began a year later in March of 2007, and was fraught with several weather delays late in the month.

The deconstruction suffered another setback in May 2007 when a steel pipe fell from 130 Liberty Street through the roof a nearby firehouse. The city Department of Buildings placed a stop-work order on the project that lasted two weeks, as contractor Bovis Lend Lease revised its plans to ensure community safety. Work resumed in early June and now continues in earnest, although the completion date for the deconstruction has been pushed back to the first quarter of 2008. To date, decontamination has been completed down to the 24th floor, with deconstruction completed down to the 31st floor. In addition, the search for human remains was concluded at the site as of mid-June. The completion of the site work will make way for the start of construction of a the underground vehicle security center and tour bus parking facility, as well as a new office building for JP Morgan Chase, a rebuilt Greek Orthodox Church, and a public park.

Tower 5 - JP Morgan Chase

In mid-June, the PA and JP Morgan Chase announced plans for the financial services company to develop a 1.3 million square foot tower at Site 5, where the damaged former Deutsche Bank building is currently undergoing demolition at the corner of Greenwich and Cedar Streets. This new \$2 billion investment will shift JP Morgan Chase's investment banking operations from Midtown, bringing an additional 7,000 employees to Lower Manhattan. The approximately 40-story building will include 15,000 sf of retail space, as well as six world-class trading floors of up to 60,000 sf each. The trading floors will be cantilevered 190 feet above the base of the building, providing what designers have termed an "urban room" above the Greek Orthodox Church and a portion of Liberty Park.

Construction of the JP Morgan Chase building can commence after 130 Liberty Street is deconstructed and the foundation of the Vehicular Security Center is completed. The Port Authority expects that this site work is scheduled to be completed in 2010, and construction of the building is expected to be finished in 2012.

7 WTC

David M. Childs of Skidmore, Owings & Merrill designed Silverstein Properties' 52-story, \$700 million 7 WTC. The building offers 1.7 million sf of space with the most advanced architectural features and life-safety enhancements. Its footprint differs from the original, permitting the reopening of Greenwich Street between Barclay and Vesey Streets and making it easier for pedestrians and vehicles to navigate. Furthermore, 7 WTC drew in its eastern edge along Greenwich Street, creating a new triangular park with planting and benches where it meets West Broadway. 7 WTC opened in May, 2006, and was two-thirds leased at the end of this year's first quarter, and is now 70% occupied.

WTC PATH Station and Transportation Hub

Construction is underway on the \$2.2 billion WTC Transportation Hub, with the Federal Transit Administration contributing 85% of the cost and the Port Authority covering the remaining \$300,000. Designed by Santiago Calatrava, the new station will replace the temporary one currently in use. Located close to the northeast corner of the WTC site at Church and Fulton Streets (between Towers 2 and 3), the Transportation Hub is expected to serve more than 400,000 passengers daily, including 80,000 commuters through the PATH station. An underground concourse will link the station with the World Financial Center, the MTA's Fulton Street Transit Center and the commercial buildings on the WTC site. From the station, pedestrians will also be able to access the Hudson River ferry terminals, PATH trains, 14 subway lines, and the proposed JFK rail link. The Transportation Hub's innovative design features soaring retractable 150-foot-high "wings", providing natural light to the rail platforms 60 feet below street level. The Port Authority will

also develop up to 200,000 sf of shops and restaurants within the transit hub and the pedestrian concourses.

In 2003, the Port Authority opened its first temporary entrance to restore service to the World Trade Center Site. Then in June of this year, a second temporary station opened on Church Street, which will be in place until early 2008 when the third temporary entrance will shift to Vesey Street near West Broadway. The shifting of these temporary stations allows the Port Authority to maintain consistent service to the WTC Site during construction of the permanent Transportation Hub's main, ground-level structure.

WTC Memorial and Memorial Museum

Construction of the eight-acre WTC Memorial and Museum's foundations began in August 2006. The revised plan, following the redesign compiled by a team of advisors led by developer Frank Sciame, reduces the project's development and operating costs while preserving its initial vision. Designed by architects Michael Arad, Max Bond and Peter Walker, "Reflecting Absence" comprises a three-acre landscaped plaza in the southwest quadrant of the WTC site and calls for three levels descending below ground to the Twin Towers original foundation. The plaza level will be filled with nearly three hundred trees and one hundred benches, and have at its center two cascading reflecting pools sunken thirty feet into the footprints of the twin towers. Under the revised plan, the names of all victims will be inscribed at street level on parapets around the edges of the pools.

Descending from the plaza level, visitors will be able to access the 115,000 square foot Memorial Museum, which will house artifacts from the events of 9/11, the rescue efforts and relief work. Visitors will access the museum through the central Memorial Hall, a vast gathering place between the reflecting pools. From Memorial Hall, visitors will have a view of the waterfalls below grade of the north and south pools, as well as the preserved box-beam column remnants and the 70-foot slurry wall that holds back the Hudson River. The redesign has consolidated access to the hall and museum into a single entrance in the visitor's center, eliminating a separate museum entrance pavilion on West Street and a pair of ramps in the middle of the memorial.

The Port Authority, which is responsible for the Memorial's construction and the Memorial Foundation, which is charged with fundraising and operating the Memorial, have made substantial progress to keep the project on budget and on schedule for a September 11, 2009 opening. The Memorial Foundation appointed a new executive vice president in June of 2007 to oversee the Memorial's design and construction, and is close to reaching its fundraising target of \$350 million. Foundation work, which began on March 13, 2006, is now well underway and expected to be completed in November of this year.

The "Snohetta" WTC Memorial Visitor's Center

The architectural firm Snohetta has redesigned what was to have been the WTC cultural center. The building will complement the WTC memorial and its below-ground museum, serving as a visitor's center with ticketing services and educational spaces, and as an access point to the Memorial Hall and the Memorial Museum. The new version, about 30 percent of the size of the original, will create an entry plaza at Fulton and Greenwich Streets that will guide visitors to the twin memorial pools, rather than blocking the view from the PATH terminal, the performing arts center and Tower 2. It will also allow skylights, set in the plaza pavement, to illuminate the underground mezzanine of the PATH terminal. Construction is scheduled to begin next year, and the center will open along with the WTC Memorial and Museum in 2009.

Fiterman Hall Deconstruction

Located adjacent to 7 WTC, the Borough of Manhattan Community College's 15-story academic building was partially destroyed on 9/11 and contaminated by mold and debris from the twin towers. The college has retained the architectural firm of Pei, Cobb & Freed to design a new 400,000-square-foot building, which will house classrooms, faculty offices, a café, art gallery, computer labs, and student lounge space.

Following two years of insurance claims negotiation, the construction manager selected to clean and deconstruct Fiterman Hall submitted scaffolding and revised remediation plans to the EPA in January. Since then, a new sidewalk bridge has been installed and air monitors are being placed in advance of the pending remediation and deconstruction of the Fiterman Hall, which should begin in August 2007. Once the EPA approves project plans, the multi-stage cleaning and deconstruction plan will commence. This is expected to last 10 to 12 months. First, the construction manager will replace the existing post-9/11 scaffolding and netting, retest the building's exterior for contaminants, and re-clean where necessary. Next the building's interior will be sealed off, cleaned and emptied in three-floor segments, followed by cleaning of the roof.

Off-Site Commercial Development

Goldman Sachs Constructing 43-Story Headquarters

Construction continues on Goldman Sachs' new \$2 billion 43-story world headquarters across the street from the WTC site, with the building's first 10 floors now visible above street level. The 2 million-square-foot office tower is rising on the northwest corner of West and Vesey Streets on Site 26, the last commercial parcel in Battery Park City, and is scheduled for completion by 2009. Pei Cobb Freed & Partners designed the new building, which will consolidate 9,000 workers now spread throughout Lower Manhattan. Goldman Sachs' commitment will have a significant impact in attracting other commercial firms Downtown and reinforce the area as the financial capital of the world. In return for maintaining more than 9,000 jobs in Lower Manhattan through 2028, Goldman Sachs received a series of grants, tax credits, and energy discounts, as well as \$1.6 billion in tax-exempt Liberty Bonds to reduce their borrowing costs.

Transportation Projects

Fulton Street Transit Center

Work on the \$888 million Fulton Street transit hub began in February 2005, and is scheduled to be completed by December 2009. To accommodate a new station entry, the MTA acquired, decontaminated, and completed deconstruction of 189 Broadway (a two-story building at the southwest corner of Broadway and Dey Street). Designed by the architecture firm Grimshaw, the hub's main entrance along the east side of Broadway between Fulton and John Streets will offer access to 12 subway lines and feature a dome that reaches over 100 feet above the sidewalk to provide natural light to the lower levels of the station. To build this structure, the MTA purchased, abated and in February began to deconstruct all property on this block of Broadway (less the 115-year-old Corbin Building, which will be restored and incorporated into the new hub). Deconstruction of these buildings is scheduled to be complete by August, and construction is expected to begin in October of 2007.

In January the MTA completed a new entry at Broadway and Maiden Lane for the northbound 4/5 trains, and are now finishing the new entry to the southbound 4/5 trains at Broadway and Cortlandt Street, scheduled to be completed by late summer 2007. Additionally, the MTA completed its restoration of the 2/3 Fulton Street station's mezzanine level. Construction of the Dey Street

pedestrian concourse is also well underway, and should be completed by April 2008. The 350-foot-long concourse, whose entry will be at John and Dey Streets, will link the Fulton Street Transit Center, PATH, and the redeveloped WTC site. From the Cortlandt Street station, a 150-foot-long passageway is also planned that will permit free transfers to the E train. Additionally, the MTA plans a new entrance to the 2/3 trains from the ground floor of 135 William Street. When completed, the transit center's redesign will provide 29 entrances, 10 new escalators and 12 new elevators that will provide clearer transfers and signage for more than 300,000 daily riders, as well as 24,000 sf of restaurants and shops in the transit hub.

JFK Rail Link

In February President Bush included a \$2 billion allocation in his 2008 executive budget for a direct rail link from Lower Manhattan to JFK Airport, and in June the funding passed the House Ways and Means Committee. The proposal would convert \$2 billion in unused federal tax credits that were part of the \$21 billion Federal aid package to New York after 9/11 into funds to be used for the \$6 billion rail link. With New Yorkers in leadership positions in both Houses of Congress and strong support from Governor Spitzer, Mayor Bloomberg and the Downtown business community, it is more likely than ever that this allocation will be part of the final budget. This \$2 billion in federal funding combined with \$560 million (including \$60 million in planning funds) already committed by the Port Authority, \$400 million from the MTA (as part of its five-year capital program), and \$100 million from the MTA's \$2.9 billion Transportation Bond Act, accounts for roughly half of the estimated project cost.

The rail link will provide a roughly 35-minute, one-seat ride between Lower Manhattan and JFK Airport and a 40% faster commute to Lower Manhattan for Long Island commuters. The link would be an expansion of the AirTrain connecting JFK to Jamaica, where it will continue on to Atlantic Avenue in Brooklyn, and go through an East River subway tunnel (that would be built) on its way to Lower Manhattan. Long Island Railroad (LIRR) commuters could also transfer to the line at Jamaica on their way to Lower Manhattan. A May 2004 study led by LMDC projected that the proposed link would serve 4,000 to 6,000 airport travelers and 100,000 LIRR commuters a day. Environmental review began in April 2005 and is expected to last 24 to 28 months. The rail link could be completed as early as 2013.

New Battery Park City Ferry Terminal

Work is underway on a \$69.1 million five-slip ferry terminal near the World Financial Center. The terminal will have 22,000 sf of public space, a heated waiting area and public bathrooms. The 200-foot long barge will double the existing capacity so that new ferry routes can be added, including service to area airports and Yonkers. When the terminal opens in November 2007, concourses will link the ferry terminal with the new WTC PATH station and Fulton Street Transit Center.

Cortlandt Street R/W Station Renovation

The Cortlandt Street R/W subway station is temporarily closed so that NYC Transit can construct a 150-foot underpass to connect the new MTA Fulton Street transit center's Dey Street Concourse with the PATH station and WTC. Work involves underpinning of the subway track and platform and widening of northbound and southbound platforms above the new underpass. Trains will bypass the station during the renovation, so passengers who use the station are encouraged to use the nearby Rector Street, City Hall, WTC, Fulton Street or Broadway-Nassau Street stops. The station is scheduled to reopen in 2008.

New South Ferry Subway Station Improvements

According to the MTA, construction is more than half-complete on the South Ferry subway station and surrounding public spaces. The \$400 million project is fully funded and will modernize the original 1905 station. The new full-train (10-car), ADA-accessible platform will connect to the R/W Whitehall Street subway station and feature three street exits. \$15 million of related public space improvements include a bicycle path linking the Hudson and East River Greenways and a pedestrian-friendly plaza that leads to the Staten Island Ferry and Battery Park. Station renovations are scheduled to be completed in 2008.

Capital Projects and District Improvements

East River Waterfront Plan

\$150 million in government funding has been allocated to significantly improve two miles of East River waterfront from the Battery north to East River Park and Pike Street. The plan creates a more pedestrian oriented environment, including a contiguous walking and bike trail, extensive plantings, and an array of spaces for recreation and seating. Further, the plan includes 100,000 sf of pavilions for culture, recreation and retail under the FDR; the reuse of the renovated Battery Maritime Building; and a maritime-based facility on the site of the Fulton Fish Market's New Market building. Construction is slated to begin on the walkway, waterfront piers and historic slips in early 2008, and is projected to take five years to complete.

British Memorial Garden Nears Completion

The British Memorial Garden Trust designed the \$6.5 million garden to resemble a classic British flower garden. British landscape architects Julian and Isabel Bannerman, who work for the British royal family, collaborated with landscape architect Mathews Neilsen to transform the formerly brick-paved square with native British foliage, formal flowerbeds and paved garden walkways. Additional garden features include a 20-foot-tall, black granite sculpture entitled "Unity" by British artist Anish Kapoor, a "memorial railing" commemorating British victims of 9/11, carved stone that will form a map of the United Kingdom, and new benches. Construction of the British Memorial Garden at Hanover Square began in May 2005, and the garden was partially opened in May of 2007. Finishing work continues.