

Avaltroni, Robert

From: Hoffer, Mark
Sent: Wednesday, June 05, 2002 1:39 PM
To: Ward, Chris; Avaltroni, Robert
Cc: Schiano, Frank
Subject: WTC Update

I received several calls over the past 18 hours or so.

1. Late yesterday evening, I got a call from Laurel Blatchford. She had previously asked for, and received from me, the most recent draft FEMA letter plus a lengthy e-mail explaining what the issue was. She said Sharon Greenberger (I think I got the name right) was reviewing it and would provide me with economic development language to use. I have still not heard back from her.

She also told me that FEMA had called her yesterday, very nervous about the City "backing out" of the program (unclear where FEMA got that suggestion). She said she had to call FEMA to "calm them down".

2. More importantly, I received a call from Larry Kahn of the Law Department this AM, in which he indicated that the program had been discussed with Michael Cardozo, and that while Law was not going to push for revisiting whether the City should be involved at all, it was asking for further changes to what has already been proposed. The changes are itemized in the attached list.

Frank Schiano is doing some fact checking on #3 and whether this is obtainable. If it is, this is simply a matter of time and money; i.e, soliciting and buying the insurance (and you may not wish to invest the time, given the public statements that have been made).

The issue now is that there seems to be "too many cooks" at work in the kitchen. I'm not sure who is talking to whom and about what. Can we meet briefly to discuss? Thanks.



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1 - Steve Levi wants to revisit pre-testing - at least for the "Class B" cases (heavy observable interior debris).

2 - Gail Rubin wants us to include language in the license for interior cleaning OBLIGATING the tenant to make claim for any available insurance monies for cleaning (says FEMA Regs require the grantee to make efforts to collect any available third-party monies)

3 - Larry Kahn wants us to investigate whether we can obtain environmental insurance on our own (City), and what it would cost - he suggests \$100MM to \$200MM. He also wants to know whether FEMA would pay for this.

4 - Larry asks that we include an indemnification from the tenant to the City in connection with the license for the interior cleaning.

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