

Roosevelt Island Operating Corporation Performance Measure Report as of March 31, 2017

1. To promote, develop, and maintain the mixed-use residential community on Roosevelt Island.

Pursuant to the guidelines specified in the Roosevelt Island General Development Plan, the Roosevelt Island Operating Corporation (“RIOC”) has promoted the development of approximately 5,226 units of housing, with the expected development of an additional 532 units. Of the built out units of housing stock, approximately 49% are currently affordable under Federal Section 8, New York State Mitchell-Lama, New York City Inclusionary Housing Programs, or qualifying units sold/rented as Middle Income Affordable Housing (see Table 1 below).

Table 1

Building	Units Developed	In Development	To Be Developed	Total Units	Units Developed as Affordable	Units Subsequently Converted To Market	Units Currently Affordable	Current Percentage Affordable
Manhattan Park	1,107			1,107	222		222	20%
Roosevelt Landings	1,003			1,003	1,003	394	609	61%
The Octagon	500			500	100		100	20%
Island House	400			400	400	44	356	89%
Southtown	1,468		532	2,000	697		572	39%
Westview	371			371	371		371	100%
Rivercross	377			377	377	35	342*	90%*
Total:	5,226	-	532	5,758	3,170	473	2,572	49%

Unit Counts and Percentages are Approximate.

**Current affordability numbers provided by Rivercross Tenants Corp. See below for further discussion of affordability status.*

Of the total 3,170 affordable units originally developed above, 2,151 units in four developments (68% of those affordable units) were developed through the New York State Mitchell Lama (ML) Program in the mid-to-late 70s. The ML developers have the option after twenty years to exit the program, converting to a market rate building or adopting a new affordability plan. Three of these developments (Roosevelt Landings, Island House and Rivercross) have exited the ML program and the fourth (Westview) is currently in the midst of negotiating an exit from the program.

Roosevelt Landings, formerly known as Eastwood, exited the ML program in 2006. Units now are a mix of market rates, enhanced voucher, and Landlord Assistance Plan units, with rents that will convert to market rate upon vacancy. As of March 31, 2016, approximately 39% of the units have been converted to market rate units. The ground lease for Roosevelt Landings expires in 2068.

The ground lease for Island House was also extended to 2068 on September 28, 2012, upon exit from ML under a thirty-year Affordability Plan. This Plan provided a structure for the creation of a leasehold condominium and the conversion of the residential portion of the building to cooperative ownership. The conversion to cooperative ownership occurred on January 1, 2014, the first day of the year following the conversion in accordance with the terms of the lease. At least 65% of the units will either be sold as “affordable” CO-OPs or remain as affordable rentals. As of March 31, 2017, approximately 44 units converted to market rate.

As of March 27, 2014, Rivercross Tenants Corp. (“Housing Company”) exited the Mitchell-Lama program. Section Six of Amendment #1 to Restated Ground Lease (“Amendment”), which extended the term until 2068, provides that if the parties are unable to reach an agreement on the Financial Terms by no later than sixty days prior to the effective date the Housing Company is leaving the Mitchell-Lama program, the dispute shall be settled by arbitration in the City of New York subject to certain procedures set forth in the Amendment. After the arbitration process began, the parties entered into a standstill agreement and upon its expiration, the parties agreed to proceed with arbitration, which is ongoing. RIOC anticipates an increase of future revenue from Rivercross, because the ground lease for that property remains at Mitchell Lama rates.

Westview is currently in the process of negotiating an exit from the ML program. Discussions are ongoing with the New York Department of Housing and Community Renewal, the Empire State Development Corporation and RIOC, regarding the terms of a proposed thirty year affordability plan, a tax equivalency payment agreement and a ground lease extension until 2068.

RIOC is also currently negotiating the terms of the ground leases for the remaining two buildings to be constructed in Southtown. These two buildings are expected to add approximately 532 units of housing, approximately 40% of which will be developed as affordable housing.

2. To provide the appropriate level of services that develop and maintain public facilities, open spaces, and commercial facilities.

As part of its mission, RIOC has sought to develop Roosevelt Island’s 147 acres through the creation of a Public Safety Department, and the development of a transit system, a sanitary system, pedestrian walkways, recreational facilities, open spaces, and roadways. The initial planners created a centralized parking facility that currently provides approximately 1,797 parking spaces for resident vehicles.

Transportation:

RIOC has improved its transportation services through renovations to the Aerial Tramway and the on-island mass-transportation program. A new Aerial Tramway became operational on November 31, 2010, providing increased ridership capacity and greater availability allowing for one cabin to continue operations in the event the other cabin is temporarily removed from service for preventative maintenance. The Tramway is also now more reliable, with redundant generators to power the system resulting in increased efficiency and capability.

RIOC funds these and continuing improvements with a \$15 million dollar grant from New York State and a minimum contribution of \$10 million dollars from RIOC, for all projects in connection with the modernization. The remaining modernization projects include the replacement of the Tram station platforms in Manhattan and on Roosevelt Island, and the design and installation of two new ADA-compliant elevators at the Manhattan station.

Moreover, as later discussed in the “Infrastructure Maintenance/Projects” section of this document, RIOC procured the services of and entered into a five-year Maintenance and Operation agreement for the operation of the Tram. This agreement includes major anticipated repairs that will be required over time in order to ensure that the Tram continues to operate in a state-of-the-art condition. Such repairs will be contemplated by RIOC on an annual basis for the duration of the contract and will be budgeted for in RIOC’s ten-year Capital Plan which will cover major structural and equipment replacements that are anticipated to be needed in the next ten years.

Ridership on the Tramway has generally increased over the last few years as a result of expanded development activity on the Island, namely Southtown, Cornell Technion and Four Freedoms State Park.

This past fiscal year, the Tramway shuttled about 2,686,543 riders between the Island and Manhattan, as compared to 2,813,751 the previous year due to the temporary shutdown of the Tram for scheduled major overhauls and reduced ridership. RIOC also services the community of Roosevelt Island with an on-island, mass transportation bus system comprised of a fleet of both hybrid and low emission diesel buses, two of which were purchased this fiscal year. These buses are also wheelchair accessible and service the Island's significant disabled population. The buses are free to all riders.

RIOC entered into a Memorandum of Understanding ("MOU") with the New York City Economic Development Corporation to expand the Citywide Ferry Service to Roosevelt Island. This expansion, expected to launch in August 2017, includes ferry service to Astoria, Queens and Long Island City, Roosevelt Island and Manhattan. RIOC and EDC worked together to create the design for the beautification of the upland portion of the ferry landing, which New York City plans to construct as part of its agreement with RIOC. All design and construction of the ferry dock and landing will be completed and paid for by New York City in anticipation of the August 2017 launch date. Once the ferry is up and running, RIOC will be responsible for maintaining the ferry landing's surrounding landscape.

Public Facilities:

As part of its public facilities, Roosevelt Island has a public school, PS/IS 217, with an enrollment of about 612 students; and The Child School/Legacy High School, a government-funded private school, specializing in educating children with special needs. The Child School/Legacy High School serves approximately 300 students. The Island is also home to a community center, a senior center, and a New York Public Library ("NYPL"). As discussed below, the library will be relocated to a renovated space as part of a lease agreement and will be a larger and more aesthetically pleasing community space for Island residents.

Retail Spaces:

The revitalization of Main Street and improvement of the retail businesses are in progress. On August 1, 2011 ("Commencement Date"), RIOC entered into a Master Sublease Agreement ("Agreement") with Hudson Related Retail LLC ("HRR") to redevelop, improve, market, lease and professionally operate the Retail Spaces controlled by RIOC.

RIOC receives an annual guaranteed rent of \$900,000 - increasing by 2% annually beginning on the first anniversary of the Commencement Date for the first five years and 2.5% annually thereafter - as well as participation in the profits of the Master Sub-Lessee. HRR is required to invest no less than \$2,365,000 in the aggregate in capital improvements during the first five years of the Agreement. According to its certified financial statements as of December 31, 2016, Hudson Related Retail LLC invested \$2,883,749 and incurred a loss of (\$159,907). According to the Agreement, RIOC will share future profits equally once HRR is paid back its investment. HRR has yet to recoup any of its investment and has not made any profit sharing payments.

Recreational Facilities/Spaces:

Sportspark is a recreational facility that RIOC developed to promote recreational activities among residents on Roosevelt Island. The facility includes a swimming pool, a full-size basketball court, a ping-pong room, and a weight room. RIOC also maintains open-air spaces for the same purpose, which includes Lighthouse Park, Octagon Soccer Field, Octagon Pony Field, Capobianco Field, Firefighters Field, and Southpoint Park. RIOC manages these recreational spaces and its Sportspark facility through a permitting process to ensure availability to Island residents. Run by RIOC personnel who manage the permitting process, this program efficiently allows for advance reservation for a variety of one-time and regularly scheduled events. Permits are also issued for the tennis courts and other open spaces, as well as for special

uses such as mobile food vending, film and photography events. Although these spaces are available to residents and non-residents alike, permits are priced at resident and non-resident rates. The number of permit requests processed decreased as a result of Sportspark being closed during renovations and because RIOC offered more of its facilities and open spaces to the Island's community free-of-charge.

Other recreational spaces on Roosevelt Island include Four Freedoms State Park, a memorial to honor President Franklin D. Roosevelt. This park, which is managed and operated by Four Freedoms Park Conservancy, is located on the southernmost tip of Roosevelt Island and opened in the fall of 2012. Four Freedoms State Park is a popular destination that received over 40,000 visitors between its opening in 2012 and April 2013, and over 652,108 visitors and tourists to date, a number that continues to grow.

RIOC is also planning to offer more indoor spaces for community use at the Cultural Center and our Sportspark facility. This pilot program is designed to offer free community space to Roosevelt Island residents and Island resident organizations that offer programs and classes to the community without charge. Certain renovations are contemplated for these spaces and RIOC anticipates designating more areas, as the pilot program increases in popularity.

RIOC also intends to renovate the Youth Center located on Main Street. As part of the contemplated renovations, RIOC plans to replace the roof and terrace, as well as the main room windows overlooking the courtyard. RIOC also intends to update, modernize, and beautify the layout and interior design of the facility, inclusive of upgrades to the bathrooms to conform to ADA standards, expanding the teaching kitchen, new lighting, doors and other critical measures. The renovations will be implemented in phases and the entire project is expected to be completed December 2017.

Finally, RIOC plans to renovate the interior of the Blackwell House, one of the oldest 18th century architectural houses in New York State. An RFP for this project was released March 2017. At an estimated cost of \$1.2 million dollars, the project will entail restoring the interior of the house to make it a community space for Roosevelt Island residents as well as a tourist focal point of Main Street for visitors. Minimal exterior work will also be done in order to make points of ingress and egress ADA-compliant. RIOC expects construction to begin this summer and to complete construction by the end of 2018.

Infrastructure Maintenance/Projects:

RIOC developed and installed an Automated Vacuum ("AVAC") system to manage waste generated on Roosevelt Island. This AVAC system is an underground network of pipes that connects to residential buildings on the Island and disposes of garbage, eliminating the need for the majority of curb-side garbage pick-up. RIOC maintains AVAC by having it cleaned annually. Further, RIOC authorized diagnostic testing of the system for the purpose of assessing necessary upgrades and repairs. These major repairs are not currently included in the RIOC capital plan, but are expected to be added to the capital projects for the current and upcoming fiscal years, once the assessment is completed and cost estimates are available.

In the fall of 2016, after awarding contracts for the façade and roof repairs and the installation of a new boiler, RIOC also completed necessary repairs and recommended upgrades to the pool shell and diving platforms, as well as other small upgrades to its Sportspark facility. Construction on Sportsparks' roofing system included replacement of the skylights and the installation of thicker insulation, along with a reflective white high-performance membrane that will collectively save energy in heating and cooling while providing a 3-year warranty.

RIOC also dismantled the temporary boiler system that had been in place since November 2014, and installed three (3) new high-performance energy efficient, permanent boiler systems in the facility which now operate on the new medium-pressure gas main. Additionally, a new heat exchanger for pool water was installed along with the boilers. The entire project of repairing the roof and façade, installing the new

boilers, and repairing the pool, was substantially completed in December 2016. However, due to delays in permitting, RIOC was not able to reopen Sportspark until mid-March 2017. The approximate total cost for these projects was \$4.8 million dollars.

The Seawall Railings are also in need of replacement and/or repair. RIOC engaged the services of a qualified engineer for the development of the related construction drawings, which was completed in March 2017. RIOC plans to issue a RFP later this calendar year for the construction phase of the project, which is expected to be performed in several phases, with each phase expected to range between 2 and 5 months for completion. The entire Seawall Railings project will ultimately replace approximately four (4) miles of railings on Roosevelt Island at a total cost currently estimated at \$15 million.

Repairs to the South Point Seawall, extending from the northern tip of the park to the beginning of the Four Freedoms State Park on both the east and west sides, extending approximately 1600 linear feet, are in the planning and permitting phase. RIOC previously estimated that the repairs will cost approximately \$16.5 million and these estimates are currently being updated. FEMA has deemed an estimated \$1,098,656 of expenses to be incurred for the repair of approximately 100 linear feet of seawall breached during Hurricane Irene as eligible for reimbursement at a Federal share of 75% of eligible costs. The project is scheduled to go out to bid later in calendar 2017.

Before and during Hurricane Irene, RIOC staff took measures to mitigate potential damage and to protect lives and property. Under Federal guidelines, these efforts and repairs for damaged RIOC property were eligible for reimbursement by FEMA. RIOC incurred \$374,992 in eligible expenses for certain projects, with a Federal share of 75%. As of March 31, 2017 these projects are closed out and RIOC has received full reimbursement of \$283,499 in the aggregate.

Similarly, RIOC is eligible to receive reimbursement from FEMA for damages to RIOC property and staff efforts to mitigate damage before and during Hurricane Sandy in October 2012, at a 90% Federal share. Related eligible expenses have been incurred in the amount of \$264,422. As of March 31, 2017, RIOC received \$246,617 in the aggregate.

RIOC completed necessary repairs to the Aerial Tramway station roof in Manhattan this past fall, at a cost of \$752,230. This project included the rehabilitation of the existing Aerial Tramway station roof as well as the construction of a roof over the southern staircase at the Roosevelt Island Tramway Station. These improvements now provide adequate shelter to the Tramway platform from inclement weather and other elements, thereby making the conditions both safer and more comfortable for riders.

All Tramway improvements and repairs continue to be funded by a \$15 million dollar grant from the State of New York and \$10 million dollars from RIOC. However, RIOC has set aside additional funds in an annual Tram Capital Reserve in its ten-year Capital Plan in anticipation of major structural and equipment replacements that will be needed within the next ten years, which will surpass the \$25 million associated with the original grant.

RIOC also issued and received bids for the repair of the Manhattan and Roosevelt Island side Tram platforms. Construction for this project is expected to take about 180 days to complete and should begin in May 2017. This project will be completed in multiple, small phases in order to maintain the operation of one cabin at all times. Detailed coordination between RIOC and the MTA is required to allow for the moving of MTA fare collection equipment.

Moreover, RIOC plans to replace the Manhattan-side Aerial Tramway elevators. The new glass elevators will add a beautiful landscape to the 61st Street and Second Avenue location, and also be ADA compliant, equipped with LED lighting, and will run efficiently. The design drawings for this project were completed

in April 2016 and an RFP for its construction has also recently been published. RIOC expects this project to take eighteen months to complete before the new elevator becomes operational.

RIOC is building a dedicated ramp for bicyclists traveling between the Roosevelt Island Bridge and street level on the Island. The project is currently in the design phase and will improve safety for both cyclists and motorists and ease of access for cyclists. In October 2016, RIOC submitted an application to the State of New York for a grant of \$2,936,705 in federal transportation funds available through the Transportation Alternative Program (TAP) – Congestion Mitigation and Air Quality (CMAQ) Improvement Program. Projects throughout New York were evaluated through a competitive scoring process and RIOC was notified of approval of the grant application in April 2017. The funds will pay a portion of the estimated construction cost of \$5,000,000 and RIOC will fund the remainder of the project through its capital program. RIOC is also in discussions with select state and local officials concerning additional contributions of capital funds. The project provides a vital link for cyclists between the Island and dedicated bike lanes in Queens and is expected to be used by Island residents, visitors and commuters.

Roosevelt Island was selected by the City of New York (“City”) for the site of the Cornell/Technion Applied Sciences Graduate School (“Cornell”). The project, forecasted to be built in three phases over a twenty-year period, is located on the City’s former Goldwater Hospital site (“Goldwater Site”). As a result of resolutions passed by the Board of Directors, RIOC worked with Cornell throughout demolition and construction phases and will receive, among other things, new roads and a new sewage system around the construction site as a result of its contributions to this project.

On December 21, 2013, the RIOC Board of Directors resolved, among other things, to amend its’ Master Lease with the City to exclude an additional 2.62 acres (“Parcel”) surrounding the Goldwater Site so that it could be incorporated into the 9.8 acres being used for Cornell. As part of the surrender of the Parcel back to the City, the State made a commitment to fund an amount equivalent to \$1,000,000 annually for 55 years (escalating 2.5% every 10 years) with payment fully made by December 31, 2018 to support Capital infrastructure improvements on Roosevelt Island as determined in accordance with State budgetary procedure. In addition, Cornell pays RIOC \$400,000 annually for 55 years, (increasing by 2% every 10 years).

Phase I of the Cornell project is on schedule, with faculty and students occupying the campus in late summer 2017. The campus is officially scheduled to open in the fall of 2017. Phase I consists of an academic building, a corporate co-location building, and graduate student housing. Cornell also plans to break ground for the construction of two additional buildings, an approximately 100-room hotel and an executive education center, in August 2017. Phase II of the construction is not required to begin until 2027.

3. To ensure good governance through compliance with its enabling legislation, corporate By-laws, General Development Plan, contractual obligations and all applicable Federal, State, and local laws.

RIOC has set forth Investment Guidelines, Lobbying Guidelines, Procurement Guidelines, Guidelines Regarding Acquisition and Disposal of Property, By-Laws, Policies for Senior Management, Travel Policies, Policies on Reporting Misconduct and Protection Against Adverse Personnel Action, Policies for Personally Owned Vehicle Usage, and Project Sunlight Policies.

RIOC’s Compliance and Internal Controls Officer furthers these objectives and goals by implementing, maintaining and monitoring an internal controls program, conducting annual assessments, and preparing Internal Control Certificates, among other things. Additionally, the Internal Controls Officer is charged with implementing ongoing programs of training for RIOC directors, managers, and staff in internal controls, ethics, procurement practices, human resources, contract administration, and other relevant rules, issues, and best practices. Finally, the Internal Controls Officer also ensures that RIOC complies with

statutes, regulations and policies, and as such, regularly consults with executive management regarding RIOC business and courses of action by adhering to RIOC's internal policies and State mandates.

4. To manage the Corporation's resources with fiscal responsibility and efficiency through a single comprehensive process that is aligned with the Corporation's strategic plan and to continue to operate without reliance on State subsidies.

RIOC's operating revenues were sufficient to meet its operating and capital needs for FY 2017-18, without currently relying on funds from the State of New York. The Corporation reported an operating profit, before depreciation, of \$6,768,955, which exceeds the budgeted amount of \$3,442,500 by \$3,326,455, by 97%. This was mainly due to an increase in Residential fees revenue of \$2,955,895 or 90%, which includes one-time transaction fees received from the refinancing of the existing mortgage of MEPT Octagon LLC in the amount of \$1,733,775, and the sale of a block of condominium units from Riverwalk 7 LLC to Memorial Sloan Kettering in the amount of \$2,011,335.

As set forth in Note 9(c) of the Notes to Financial Statements for March 31, 2017 and 2016, RIOC entered into an agreement with ESD for the repayment of certain Public Facilities Debt and Accrued Operating Deficit amounting to \$170,356,976 with a stated interest rate of 5.74%. ESD has acknowledged that there are significant projected future capital investments to be made by RIOC.

5. To provide a safe environment for the public and the Corporation's employees.

The mission of the Roosevelt Island Public Safety Department ("PSD") is to provide a safe and secure environment for the residents, employees, business owners, community, and visitors of Roosevelt Island. PSD is a division of RIOC, and its Public Safety officers are the front-line problem solvers for the Roosevelt Island community. By working closely with the New York City Police Department's 114th Precinct, the New York City Fire Department, and Emergency Medical Services, PSD provides a 24-hour-a-day, seven-day-a-week presence on the Island. Because the Corporation has placed more emphasis on community-based policing and quality of life issues, the Island has one of the lowest crime rates per capita in New York City.

The Corporation has implemented software solution for critical PSD related records such as incident reporting and case management. RIOC also created an Emergency Operations Center ("EOC"), equipped with state of the art cameras and computer equipment for emergency response and contingency planning. RIOC continues to expand this system, which over the past year, has grown to include camera installations around the entire Island, monitored by PSD. The expansion of this program has been successful in crime prevention as well as increased collaboration and liaising with the 114th Precinct and other state and local law enforcement agencies. Moreover, RIOC installed cameras in the Cultural Center, also monitored by PSD, and employed a security/consulting firm to provide seven-day-a-week security and building manager services to help coordinate facility use and ensure the safety of all its very diverse community groups and patrons.

Additionally, RIOC has also liaised with the Office of Emergency Management and purchased new 700 megahertz radios in an effort to establish a direct line of communication with the agency in the event of an emergency.

RIOC met and worked with the Office of Emergency Management ("OEM"), NYPD and FDNY to improve 911 call center operations for Roosevelt Island residents. As a result, the call centers changed procedures to decrease response time; specifically, among other things, the 911 operators no longer insist on callers identifying cross streets on Roosevelt Island before processing calls, as Roosevelt Island uniquely only has one road. RIOC continues to work with OEM to finalize our Emergency Management Plan which will be presented to the public this fall.

Also, in an effort to bring all members of RIOC's PSD to a higher and similar level of skills and knowledge, RIOC has developed and implemented an updated training program for all members of PSD. The training commenced in January 2017 and will be ongoing. The training topics have included community policing, domestic violence, tactical patrol, and report writing. This training will improve community relations, morale and develop new skill for all officers.

6. To maintain and enhance the physical conditions of the Corporation's public facilities and open spaces.

RIOC's Capital Plan provides the framework to renew existing infrastructure, and maintain the quality of life for the Island's residents, workers, and visitors. The Corporation achieves this by making capital improvements and strategically acquiring capital assets that support essential services such as transit, sanitation, and public safety. Significant projects in progress include:

- planning for the design and construction of a Helix Bike Ramp/Bike Path to allow individuals on bicycles the ability to descend onto Roosevelt Island in a safe manner, away from vehicular traffic, at an estimated construction cost of \$5,000,000;
- maintaining a state of good repair on the Island's newly renovated Aerial Tramway, including the construction of new ADA-compliant elevators on the Manhattan side of the Tramway at an estimated \$4 million;
- repairs of the roof and windows of the Youth Center as well as to upgrade bathrooms for ADA-compliance as well as performing interior beautification of the space at an estimated total of \$500,000;
- installation of a new fire alarm system in the Youth Center; repairing and maintaining fire sprinkler systems throughout all of RIOC owned and controlled facilities;
- upgrading and replacing weathered and rusted BBQ grills, benches and tables in RIOC parks and other open spaces;
- restoration of Motorgate Garage to include waterproofing, and repairing of spalling, concrete, and railings on floors three through eight (3-8) for Phase I; and floors two through seven (2-7) for Phase II;
- interior restoration of Blackwell House, an historical landmark as well as the adjacent open space surrounding the structure;
- oversight of excavation, trenching and restoration of high-pressure gas main and Queensboro Bridge feeder cable projects performed by Consolidated Edison and its contractors;
- oversight of Z-Brick restoration throughout Main Street upon the completion of work performed by Consolidated Edison;
- enhancement and beautification of the outdoor seating area and playground and installation of new walkways in accordance to the Americans with Disabilities Act at the New York Library site;
- rehabilitation of the seawall around Southpoint Open Space for an estimated cost of \$21.6 million; replacement of the railings for an estimated cost of \$6 million;

See the annexed Capital Plan at Exhibit A.

7. To promote a sustainable, innovative environment and to strive for island-wide green initiatives.

To limit the congestion caused by excess traffic, RIOC provides bus services using a fleet of hybrid and low emission diesel fuel buses that limit production of greenhouse gases ("GHG"). Further reductions to the already low GHG levels are expected because, as noted above, the elimination of the bus fares will reduce stop and idling times associated with GHG production. RIOC purchased two additional Clean Air Diesel buses in FY 16-17 to add to its fleet and previously purchased neighborhood electric vehicles to the extent possible to lessen dependence on fossil fuel vehicles for light duty usage by employees. RIOC has also co-sponsored a community-based Garden Club that manages a community garden on Roosevelt Island between the Octagon soccer field and the Pony baseball field. Among other activities, the Garden

Club, through its “Go Green” initiative, sponsors a NYC Compost Project and recycling program designed to make our environment more ecologically responsible.

8. To effectively communicate with all stakeholders.

Notices are posted to all stakeholders in public view and on the RIOC web site for all Board of Directors and Committee meetings pursuant to the New York State Open Meetings Law. The web site provides relevant information to stakeholders, such as community information and information about the Corporation’s operations and finances.

9. To partner with businesses, industry leaders and other government agencies to meet the needs of the Corporation’s stakeholders.

The fares for passengers riding the Aerial Tramway are collected on RIOC’s behalf via the Metro Card system through a partnership with New York City Transit, which promotes the efficiency of the system by connecting riders to the mass transit system of the greater urban area. As noted in item 2, page 3 of this report, RIOC has partnered with Hudson Related Retail to revitalize the Island’s commercial sector, thereby increasing stakeholder access to goods and services. Also, RIOC routinely coordinates with administrators of Four Freedoms State Park and Cornell Technion for the efficient planning of activities.

As mentioned in the Transportation section, RIOC also entered into a MOU with the New York City Economic Development Corporation to expand the Citywide Ferry Service to Roosevelt Island.

The City of New York has obtained a \$1.6 billion dollar federal commitment in funding by FEMA to repair and protect the City’s public hospitals that were damaged during Hurricane Sandy. The allocation, as part of a citywide resiliency plan, includes Coler Hospital on Roosevelt Island. Coler Hospital is a facility operated by HHC that provides rehabilitation and specialty nursing services to its residents.

The City has proposed building a berm near the northern end of Roosevelt Island in an effort to protect Coler Hospital from future, potentially catastrophic damage in the event of another super storm. In this regard, the City is currently conducting feasibility tests and taking soil samples for this effort with RIOC’s consent. Once the feasibility study is complete, and it is determined that a berm is possible, RIOC will work with New York City to create an easement to implement this plan.