

Roosevelt Island Operating Corporation Performance Measure Report as of March 31, 2016

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 51% 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	374	629	63%
The Octagon	500			500	100		100	20%
Island House	400			400	400	12	388	97%
Southtown	1,468		532	2,000	697		597	41%
Westview	371			371	371		371	100%
Rivercross	377			377	377	27	350*	93%
Total:	5,226	-	532	5,758	3,170	413	2,657	51%

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 (68% of the 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 and convert to a market rate building. Roosevelt Landings, formerly known as Eastwood, exited the ML program whereby existing tenant rents have continued to be subsidized but units that become vacant will convert to market rate. As of March 31, 2016, approximately 37% of the units have been converted to market rate units. The ground lease for Island House was extended to 2068, and allowed the developer to exit ML under a thirty-year Affordability Plan, which 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 01, 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, 2016, approximately 12 units converted to market rate.

As of March 27, 2014, Rivercross Tenants Corp. (“Housing Company”) exited the ML Program. Section Six of Amendment One 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 will leave the ML Program and the dispute shall be settled by arbitration in the City of New York – subject to certain procedures set forth in the Amendment. The parties began the arbitration process but subsequently entered into a standstill agreement which remained in effect until February 23, 2016, and now the parties are proceeding with the arbitration process. RIOC anticipates that it will receive increased revenue in the future because the ground lease for Rivercross currently remains at Mitchell Lama rates.

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 development of a transit system and a sanitary system, the creation of a Public Safety Department, and the development of pedestrian walkways, recreational facilities, open spaces, and a roadway system. The initial planners created a centralized parking facility that currently provides approximately 1,797 parking spaces for resident vehicles. The parking facility will eventually have to be expanded in order to accommodate residents of Southtown and Cornell; however, agreements are in place between RIOC and another party and/or parties to expand this parking facility as it becomes necessary.

Transportation:

RIOC has improved its transportation services through renovations to the Aerial Tramway as well as its on-island mass-transportation program. For instance, after procuring services to renovate the Aerial Tramway, which became operational on November 31, 2010, transportation needs of residents and visitors are now better met. Indeed, more passengers are shuttled quickly and safely to and from Manhattan's East Side and there is greater availability because the new system allows for one cabin to continue operations in the event the other cabin is temporarily removed from service for preventative maintenance. Further, the Tramway is more reliable with redundant generators to power the system, resulting in increased efficiency and capability. RIOC funds infrastructure improvements with a \$15 million dollar grant from New York State and \$10 million dollars from RIOC after all projects in connection with the modernization are completed. Ridership on the Tramway is steadily increasing as a result of more activities on Roosevelt Island, including the development of Southtown and Cornell Technion; and increased visitorship to Four Freedoms State Park. Indeed, just this past fiscal year, the Tramway shuttled about 2,813,751 riders between the Island and Manhattan and generated a net profit of about \$1,664,207.

RIOC also services the community of Roosevelt Island with an on-island, mass transportation bus system comprised of a fleet of seven, clean energy, hybrid buses. These buses are also wheelchair accessible and service the Island's significant disabled population. Moreover, on December 12, 2013, RIOC's Board of Directors approved the elimination of the once collected bus fares and offset this loss of revenue by also doubling the fee for street parking. Because of this change that became effective on April 1, 2014, the bus system has become more efficient.

RIOC is negotiating a Memorandum of Understanding ("MOU") with the New York City Economic Development Corporation to expand the Citywide Ferry Service to Roosevelt Island. This expansion will also include ferry service to Astoria, Queens and Long Island City of which Roosevelt Island will be a destination along the East side of the Island. The service is expected to also serve Manhattan. RIOC has agreed to allow EDC and its contractors land and water access to conduct the appropriate surveys, inspections and testing necessary to prepare a preliminary design for the landing site. A traffic mitigation and environmental study must also be done, however, once completed and approved by RIOC, construction and installation of the ferry landing will be done by EDC and RIOC expects that ferry service will launch in 2017.

Public Facilities:

As part of its public facilities, Roosevelt Island has a public school, PS/IS 217, which currently has an enrollment of about 548 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. RIOC also intends to contribute to this project by rehabilitating an open space at the site of the new NYPL which will include a playground and sitting area for library patrons

and Island residents to use as well as new walkways that are compliant with the Americans with Disabilities Act.

Retail Spaces:

As part of RIOC's revitalization improvements along Main Street, the Corporation entered into a Master Sublease Agreement ("Agreement") with Hudson Related Retail, LLC ("HRR") on August 1, 2011 ("Commencement Date"). Specifically in that Agreement, among other things, HRR is charged with the responsibility of redeveloping, improving, marketing, leasing, and professionally operating the Retail Spaces controlled by RIOC. In return, RIOC is to receive an annual guaranteed rent of \$900,000 that will increase by 2% annually, beginning on the first anniversary of the Commencement Date for the first five years – and 2.5% annually thereafter. RIOC will also share in profits realized by HRR in these lease endeavors. Under the terms of the Agreement, HRR is also 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, 2015, HRR invested \$2,584,216 and incurred a loss of \$359,141. As per 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 a profit-sharing payment to RIOC. To date, HRR, as part of this partnership with RIOC, has brought an ice cream and sweets shop, a wine and liquor store, a gourmet deli, and a Subway fast food restaurant to Main Street. HRR also entered into a lease with NYPL on July 1, 2013. As part of this lease agreement and a substantial renovation contribution by RIOC, a significantly larger library is planned for the Island and will be located at 504 Main Street. The construction documents for this renovation are substantially complete and construction is anticipated to be finished by the end of 2016.

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. As an added service, RIOC manages these recreational spaces and its 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 as a way of managing 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. RIOC also uses a software-based solution to manage the growing number of permit requests, which satisfies the growing needs of the community. The number of permit requests processed has increased by over 100% compared to the previous fiscal year.

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 500,000 visitors and tourists to date, a number that continues to grow.

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. And, as discussed below, RIOC provided seasonal heating for the AVAC system and Bus Garage/Warehouse in anticipation of the steam plant being closed and abandoned.

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

For example, 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, RIOC will receive a financial contribution of \$1,000,000 dollars annually from the State for 55 years, payable to RIOC – an amount that will increase by 2.5% every 10 years – in accordance with State budgetary procedure with the present value of the payment fully made by December 31, 2018, to support capital infrastructure improvements on Roosevelt Island. Additionally, Cornell will pay RIOC \$400,000 annually for 55 years, with an increase of 2% every 10 years.

RIOC is responsible for maintaining the seawall and promenade surrounding Cornell. Cornell, at its sole cost, will be responsible for infrastructure improvements on, around-and under Loop Road, including the roadway, sewers, relocation of electrical duct banks, and gas service. Cornell has begun demolition and will do construction in coming years in accordance with all agreements that have been negotiated and executed, and under the supervision of RIOC.

The New York City Health and Hospitals Corporation (“HHC”) announced its intention to close and abandon a large steam plant, located on Roosevelt Island on or by March 31, 2014, but did not do so until November of that year. The plant provided heat to the Goldwater Site, Coler Hospital, and several RIOC-owned facilities, including Sportspark, AVAC, and the Bus Garage/Warehouse. Ownership and issues of responsibility concerning the steam plant and Steam Tunnel remain unresolved. The anticipated closure compelled RIOC to install a costly and temporary heating system for AVAC and the Bus Garage/Warehouse, and Sportspark so that heating to those facilities would not be disrupted. Although Sportspark is still operating with a temporary heating system, RIOC will replace it with a permanent one; at an estimated cost of \$1.1 million. To this end, RIOC obtained the services of a qualified engineering firm, which provided a complete design that has been approved subject to the review of the New York City Department of Buildings (“DOB”). An RFP has been issued and once a contractor is selected, pursuant to a competitive bidding process, RIOC will begin construction. RIOC anticipates this project to be completed by the end of 2016. The new system will operate on medium pressure gas which must be connected to the new high pressure gas pipeline. This high-pressure gas line is currently being installed by Consolidated Edison Company of New York, Inc. as part of infrastructural support for Cornell and is anticipated to be completed by June 2016.

RIOC also engaged the services of a qualified engineer to develop the design for the Seawall Railings and to remain as a consultant through the RFP process. The Seawall Railings project will ultimately replace approximately four (4) miles of railings on Roosevelt Island, at an estimated cost of \$16 million dollars. However because of the various construction projects currently underway on the Island, RIOC intends to implement this massive project in phases in that RIOC expects to commence this work in certain identified areas of the Island as not to disrupt construction project currently be done in other areas of the Island.

Additional engineering services were also retained for necessary repairs and recommended upgrades at the Sportspark facility. The consultants prepared a report of the facility’s lighting, plumbing, and roofing systems. The analysis is complete, and it is anticipated that some of the recommended repairs and upgrades will increase the efficiency of the aforementioned permanent heating system. In addition, the report identified certain necessary repairs, such as the facility’s roof which is expected to cost around \$3 million – and needs to be completed before the other repair work can be done. RIOC procured the services of a qualified engineer to assist with this project and issued RFPs for the roofing repairs and for the

installation of a new boiler system. RIOC expects construction to begin mid-August, and repairs should be completed by November 2016.

Hurricane Irene greatly impacted Roosevelt Island's infrastructure and caused RIOC to implement certain measures by which to mitigate damage caused by these acts of nature. Specifically, Hurricane Irene damaged the seawall of the Southpoint Park shores. The Corporation hired a consultant to provide engineering-design and marine-permitting services for the Southpoint Park shores. The consultant identified failures due to deterioration along both shores, and the west shore seawall. Damage sustained to approximately 100 linear feet of the eastern seawall has been approved by FEMA as a project for disaster recovery funding.

Before and during Hurricane Irene, RIOC staff took measures to mitigate potential damage and to protect lives and property. Under Federal guidelines, these efforts were eligible for reimbursement by FEMA. FEMA approved – and RIOC completed – the following projects as part of the Island's rehabilitation from those areas affected by the storm:

1. Repairs to fences damaged by falling trees;
2. repairs to damaged stone benches and walkways;
3. replacement of safety mulch washed away from playgrounds;
4. repairs to damaged streetlights adorning the open space at Lighthouse Park and the underlying electric wiring; and
5. repairs to several hundred linear feet of the West Side Sidewalk.

For the above stated projects and certain administrative expenses and professional services, RIOC incurred \$374,992 of which FEMA will reimburse the Corporation 75% of the eligible costs, based upon the approved claims. RIOC expects that the final approval of these eligible claims and completion of any outstanding tasks to this project will be December 2017.

Similarly, in October 2012, during Hurricane Sandy, Roosevelt Island sustained additional damage as a result of that storm. Projects that RIOC has completed or expects to complete in the future include repairs to damaged electric wiring in Lighthouse Park; and repairs to undermined "Z-Bricks" on the promenades.

Both completed and "in-progress" work have been deemed eligible for reimbursement under Federal guidelines by FEMA/OEM. RIOC has received \$141,348 in connection with these projects and other certain administrative expenses and professional services based upon a 90% effective cost-share rate. The Federal obligation for the last remaining project was written on an estimate of \$140,285 consistent with practices for large projects, and RIOC will be reimbursed by FEMA at the 90% cost-share rate. And, all projects resulting from Hurricane Sandy have been filed and must be completed prior to November 3, 2016. With respect to the Lighthouse Park electrical wiring project, RIOC revised the claim documents that were submitted to OEM and RIOC anticipates that it will receive a reimbursement of 75% of the eligible costs in Spring 2016.

RIOC has also recently procured a contractor to perform necessary repairs to the Aerial Tramway roof in Manhattan, at an estimated cost of \$719,000. This project includes the rehabilitation of the existing Aerial Tramway roof as well as the construction of a roof over the southern staircase at the Roosevelt Island Tramway Station. As the Design Drawings have been approved and a contract duly executed between RIOC and the contractor, repairs to the roof are currently in progress. With an anticipated completion date in the fall of 2016, these improvements will provide adequate shelter to the Tramway platform from inclement weather and other elements, thereby making the conditions that much safer and comfortable for riders. RIOC will be issuing a RFP for the Tramway Operation which includes a maintenance component for routine repairs to the Tramway infrastructure. RIOC also provisioned an annual Tram Capital Reserve in its ten-year Capital Plan that will serve to cover major structural and equipment replacements that are anticipated to be needed within the next ten years.

Moreover, RIOC is in the process of replacing the Manhattan-side Aerial Tramway elevator. The new elevator will 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 about a year to complete before the new elevator becomes operational.

Repairs to the South Point Seawall, which extends from the northern tip of South Point Park to the beginning of Four Freedoms State Park, on both the east and west side of approximately 1600 linear feet, are in the planning phase. RIOC repairs will likely cost approximately \$16.5 million, of which 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. Of this amount, RIOC has incurred \$22,933 to date. FEMA will reimburse 75% of the eligible costs, based on approved claims.

It is important to note that RIOC is aware of plans by the City of New York to obtain funding for the construction of a berm near the northern end of Roosevelt Island in an effort to protect Coler Hospital from catastrophic damage in the event of a super storm like Hurricane Sandy. Coler Hospital is a facility operated by HHC that provides rehabilitation and specialty nursing services to its approximately 815 residents. The City of New York will be requesting an easement from RIOC to implement this plan.

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.

During FY 2014-15 RIOC hired a Compliance and Internal Controls Officer, whose responsibility, among other things, is to implement, maintain and monitor an internal controls program, conduct annual assessments, and prepare Internal Control Certificates. 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 must also ensure that RIOC complies with statutes, regulations and policies, and as such, regularly consults with executive management regarding RIOC business and courses of action.

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 2015-16, without currently relying on funds from the State of New York. The Corporation reported an operating profit, before depreciation, of \$7,032,152, which exceeds the budgeted amount of \$3,177,292 by \$3,854,860, by 121%. This was mainly due from the receipt of transactions fees in the amount of \$2,189,574 from the initial sponsor sales of Cooperative Apartments from Island House during the fiscal year ending March 31, 2016.

As set forth in Note 9(c) of the Notes to Financial Statements for March 31, 2015 and 2014, RIOC entered into a Revenue Allocation Agreement ("RAA") with Empire State Development ("ESD") for the repayment of certain Accrued Operating Deficits and Public Facilities Debt amounting to \$170,356,976 with a stated interest rate of 5.74%. In addition, there are other State Operating Subsidies and State Capital Investments that were received and may have to be repaid under the terms of the RAA. The RAA calls for revenues to be allocated in the following manner: (1) RIOC Operating Expenditures; (2) Satisfaction of

UDC's Accrued Operating Deficit; (3) Satisfaction of UDC's Public Facilities Debt; (4) Satisfaction of other State Operating Subsidies, and (5) Satisfaction of other State Capital Investments. To date, no revenues have been allocated for the satisfaction of ESD debt other than "Tax Equivalency Payments" ("TEP") payments for Roosevelt Island's original affordable "Mitchell-Lama" buildings. 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.

During FY 2014-15, the Corporation began using a 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. Since that time, 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 800 megahertz radios in an effort to establish a direct line of communication with the agency in the event of an emergency.

More recently, RIOC has proposed a pilot program for its PSD officers that includes the use of body cameras, which may be funded by grants as the program develops. Further, in addition to PSD's mandatory certification training, PSD intends to start a non-mandatory training program where PSD officers and supervisors alike can select trending topics for discussion (and training where needed) in law enforcement.

Finally, RIOC purchased two replacement patrol vehicles and an all-terrain vehicle. The patrol vehicles will all PSD to adequately patrol Roosevelt Island and respond to complaints more quickly. Similarly, the all-terrain vehicle will better aid PSD officers to patrol and monitor the Cornell construction site and other projects being conducted on Roosevelt Island where SUV and other patrol vehicles cannot traverse due to the condition of the roadway. This all-terrain vehicle has aided RIOC in monitoring and ensuring that construction sites are secure and safe during "off-hours" when contractors are not scheduled to work.

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:

- maintaining a state of good repair on the Island’s newly renovated Aerial Tramway, including the replacement of the current elevator with one that is ADA-compliant, the addition of a new ADA-compliant elevator, as well as rehabilitation of the Manhattan-station roof at \$3.5 million;
- repairs to the Aerial Tramway roof to ensure the safety of riders, at an estimated cost of \$719,000;
- beautification, including stripping and refinishing of wooden flooring in Good Shepherd Chapel;
- engaging a facilitator to draft a plan and implementation strategy to optimize space for community programming and usage in Southpoint Park;
- rehabilitation of the Island’s seawall for an estimated cost of \$21.6 million; replacement of the railings for an estimated cost of \$6 million;
- removal of Z-Bricks and replacement with asphalt paving on Main Street for an estimated cost of \$600,000;
- augmentation of rip-rap along the Steam tunnel on the eastern side of the Island for an estimated cost of \$500,000;
- improvement to Sportspark, including the implementation of a permanent heating system at an estimated cost of \$700,000, and replacement of the roof at an estimated cost of \$3 million;
- the island wide security camera system at an estimated cost of \$1.2 million for phases 1 and 2 as well as a portion of phase 3;
- the installation of new security measures and the creation of the Public Safety Department’s Emergency Operation Center (“EOC”), which provides cameras around Roosevelt Island’s open spaces as well as inside of RIOC facilities and other properties, to ensure the safety of its staff and visitors;
- upgrades to the Public Safety Department’s computerized systems and monitoring equipment, which will now include new communication devices that establish a direct line of communication between Public Safety Officers and the Office of Emergency Management (“OEM”);
- upgrades to RIOC’s Access Controls program that will allow patrolling of residential buildings to be tracked more easily;
- upgrading RIOC’s information technology and computer systems, including rebuilding the Network Environment infrastructural hardware, installing a Firewall to protect RIOC data, and implementing Bandwidth and other software improvements; and
- upgrading its operational vehicles to include the purchase of a new all-terrain utility vehicle for PSD, and a new hybrid-electric bus for RIOC’s red bus service on the Island.

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 seven (7) hybrid-electric buses, powered by ultra-low-sulfur diesel fuel, 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 intends to purchase an additional hybrid-electric bus in FY 16-17 to add to its fleet and purchased neighborhood electric vehicles to the extent possible to lessen dependence on fossil fuel vehicles for light duty usage by employees. A feasibility study was done for the installation of canopy solar panels above the Motorgate Garage, which concluded that such installation would not be economically feasible until such time that the technology became more effective. RIOC was also among a group of participants in a study funded by NYSERDA to examine the impact and potential benefit of Green Loading Zones (“GLZ”), a policy solution to incentivize further electric truck adoption with the creation of curbside loading zones that are exclusively available to zero-emission commercial vehicles. The study identified Roosevelt Island along with other sites as potential candidates for one or more such GLZ’s, but has not resulted in a request for implementation.

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.

During FY 2014-15 RIOC enhanced its capacity to send public advisories via a pilot partnership with Everbridge, a platform that harnesses multiple technologies for mass communication. This opt-in service allows RIOC to notify users about emergency situations, traffic/transportation advisories affecting the Island, other issues of concern, and community events. The platform has been very successful since it was implemented. The majority of users have signed up via the web-registration interface and have more than one delivery method defined such as SMS, e-mail or personalized automated telephone message. The platform also enhances RIOC’s internal emergency preparedness by allowing RIOC to communicate more readily with employees and track their availability during an emergency. The system also gives RIOC the capability to coordinate with relevant City and State agencies during an emergency using its conference bridge software solution.

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.

The Roosevelt Island Operating Corporation (RIOC)
CAPITAL PLAN 2015/2016 (In Thousands)

	Actual	Approved Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Budgets 2016- 2030
	2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total	
1 Sports Fields/Parks	\$13	\$2,117	\$364	\$383	\$402	\$422	\$443	\$465	\$488	\$513	\$538	\$565	\$593	\$623	\$654	\$687	\$9,258	
Octagon Park - Comfort Station Rehab		\$60															\$60	
Octagon - Tennis Court Lighting	\$7																\$0	
Blackwell Park - Basketball Courts Resurfacing		\$60															\$60	
Copo Bianco Field Improvments		\$200															\$200	
504 Main Street Childrens Reading Park		\$300															\$300	
Light House Park Entrance & Landscaping	\$6	\$550															\$550	
Light House Park Parking Lot		\$550															\$550	
Southpoint Park Landscaping		\$50															\$50	
Miscellaneous Upgrades & Improvements - Reserve		\$347	\$364	\$383	\$402	\$422	\$443	\$465	\$488	\$513	\$538	\$565	\$593	\$623	\$654	\$687	\$7,488	
2 Historic & Landmark Structures	\$69	\$1,806	\$232	\$244	\$256	\$269	\$282	\$296	\$311	\$327	\$343	\$360	\$378	\$397	\$417	\$438	\$6,354	
Blackwell House Interior Renovation		\$885															\$885	
Blackwell Lighthouse Restoration		\$700															\$700	
Blackwell House - Emergency Fire Suppression System	\$8																\$0	
Good Shepherd - Interior Repairs/Doors	\$61																\$0	
Miscellaneous Upgrades & Improvements - Reserve		\$221	\$232	\$244	\$256	\$269	\$282	\$296	\$311	\$327	\$343	\$360	\$378	\$397	\$417	\$438	\$4,769	
3 Infrastructure Improvements	\$230	\$22,147	\$8,284	\$2,824	\$2,915	\$2,010	\$2,111	\$2,217	\$2,327	\$2,444	\$2,566	\$2,694	\$2,829	\$2,970	\$3,119	\$3,275	\$64,732	
36 Avenue Bridge Helix (Ramp)		\$1,900															\$1,900	
Blackwell Park Plaza & Fountains		\$1,000															\$1,000	
Con Ed Vault Reconstruction		\$2,000															\$2,000	
Eastern Pier		\$1,500															\$1,500	
Good Shepherd - Land & Streetscape	\$67																\$0	
Island-Wide Road Improvements - Reserve		\$200	\$210	\$221	\$232	\$243	\$255	\$268	\$281	\$295	\$310	\$326	\$342	\$359	\$377	\$396	\$4,316	
Island-Wide Z Brick Replacement - Reserve	\$28	\$116	\$122	\$128	\$134	\$141	\$148	\$155	\$163	\$171	\$180	\$189	\$198	\$208	\$219	\$230	\$2,503	
Seawall - Reserve				\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	\$1,340	\$1,407	\$1,477	\$1,551	\$1,629	\$1,710	\$1,796	\$17,713	
Seawall - Southpoint Open Space Park	\$48	\$10,000	\$6,500														\$16,500	
Seawall Railings Replacement		\$3,000	\$1,000	\$1,000	\$1,000												\$6,000	
Sewer Upgrades - Reserve		\$232	\$244	\$256	\$269	\$282	\$296	\$311	\$326	\$343	\$360	\$378	\$397	\$417	\$437	\$459	\$5,006	
Site Amenities - Benches, Waste Receptacles - Res.		\$83	\$87	\$92	\$96	\$101	\$106	\$111	\$117	\$123	\$129	\$135	\$142	\$149	\$157	\$164	\$1,791	
Southtown - Erosion Control and Gravel Installation	\$30																\$0	
Southpoint - Blue Dragon Sculpture Foundation	\$12																\$0	
Tree-Pit Remediation	\$45																\$0	
Utilities Infrastructure Improvements - Reserve		\$116	\$122	\$128	\$134	\$141	\$148	\$155	\$163	\$171	\$180	\$189	\$198	\$208	\$219	\$230	\$2,503	
West Drive Modernization		\$2,000															\$2,000	
4 Facilities & Offices	\$2,641	\$7,283	\$4,852	\$10,382	\$4,214	\$1,143	\$859	\$902	\$947	\$994	\$1,044	\$1,096	\$1,151	\$1,209	\$1,269	\$1,332	\$38,677	
AVAC HVAC	\$29																\$0	
AVAC Improvements				\$8,000													\$8,000	
AVAC Interior Painting		\$300															\$300	
AVAC Mechanical/Piping - Reserve	\$60	\$232	\$244	\$256	\$269	\$282	\$296	\$311	\$326	\$343	\$360	\$378	\$397	\$417	\$437	\$459	\$5,006	
AVAC Stack Repairs		\$400															\$400	
AVAC Repair at Westview	\$5																\$0	
Motorgate Electrical Vault Waterproofing		\$70															\$70	
Motorgate Garage - Reserve	\$47	\$221	\$232	\$244	\$256	\$269	\$282	\$296	\$311	\$327	\$343	\$360	\$378	\$397	\$417	\$438	\$4,769	
PS Offices - HVAC Compressor	\$7																\$0	
Sportspark - Fire Alarm				\$840													\$840	
Sportspark - New Flooring Squash/Ping Pong/Gym		\$40			\$935												\$975	
Sportspark - Pool	\$52	\$120		\$800													\$920	
Sportspark - Upgrade Locker Rooms/Bathrooms/Ceilings		\$60			\$2,175												\$2,235	
Sportspark - Concrete Restoration and Reconstruction		\$410															\$410	
Sportspark - Electric			\$1,800														\$1,800	
Sportspark - Façade Repointing/Repair		\$1,500	\$1,500														\$3,000	
Sportspark - HVAC	\$466	\$1,500															\$1,500	
Sportspark - Outdoor Basketball Courts					\$325	\$325											\$650	
Sportspark - Replace Windows and Doors			\$845														\$845	
Sportspark - Roof		\$2,210															\$2,210	
Sportspark Rehabilitation - Reserve		\$110	\$116	\$121	\$127	\$134	\$140	\$147	\$155	\$163	\$171	\$179	\$188	\$198	\$207	\$218	\$2,374	
Warehouse/Bus Garage Rehabilitation	\$1,969																\$0	
Miscellaneous Facilities & Offices - Reserve		\$110	\$116	\$121	\$127	\$134	\$140	\$147	\$155	\$163	\$171	\$179	\$188	\$198	\$207	\$218	\$2,374	
- 591 Executive Office Work Station	\$6																\$0	
5 Equipment & Vehicles	\$191	\$1,321	\$1,279	\$1,328	\$1,512	\$1,450	\$1,578	\$1,524	\$401	\$312	\$381	\$283	\$431	\$415	\$457	\$470	\$13,142	
Admin - (2) GEMs			\$25				\$30					\$35					\$90	
Bus - F-350 Pickup					\$40							\$60					\$100	

The Roosevelt Island Operating Corporation (RIOCC)
CAPITAL PLAN 2015/2016 (In Thousands)

	Actual	Approved Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Budgets 2016- 2030
	2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Bus - Hybrid Buses	\$17	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	\$1,340									\$8,142
Bus - Rotary Lift	\$33																\$0
Engineering - Ford Escape				\$26					\$33								\$59
Grounds - (1) Ford F130				\$22			\$24			\$26			\$28		\$30	\$30	\$160
Grounds - 150 8ft Barricades	\$11																\$0
IT - (10 PC Replacements)	\$9	\$9	\$9	\$10	\$10	\$11	\$11	\$12	\$13	\$13	\$14	\$15	\$15	\$16	\$17	\$18	\$194
IT - (2) Copiers/AV/Printers			\$24		\$26		\$29		\$32	\$13	\$14	\$15	\$39	\$39	\$39	\$39	\$302
IT - Plotter						\$28				\$34							\$62
IT - Security & Phone System & Multi-Function Devices		\$63															\$63
IT - Servers	\$18	\$16			\$55				\$62				\$70	\$70	\$70	\$70	\$413
IT - Software Upgrades		\$35	\$37	\$39	\$41	\$43	\$45	\$47	\$49	\$52	\$54	\$57	\$60	\$63	\$66	\$69	\$755
IT - Storage & Disaster Recovery		\$30															\$30
IT - Switch Upgrades			\$24		\$26		\$29		\$32			\$35		\$40	\$40	\$40	\$306
IT - Website Redesign	\$20	\$15															\$15
Misc. Heavy equipment		\$53	\$56	\$58	\$61	\$64	\$68	\$71	\$75	\$78	\$82	\$86	\$91	\$95	\$100	\$105	\$1,144
Motorpool - (2) GEMS		\$30				\$40				\$50							\$120
Motorpool - Aerial Truck Lift					\$35						\$45						\$80
P.S. - Chevy Tahoe		\$40	\$42	\$44	\$46	\$49	\$51	\$54	\$56	\$59	\$62	\$65	\$68	\$72	\$75	\$79	\$863
P.S. - Ford Escapes	\$25																\$0
P.S. - Yamaha Viking EPS - 2016	\$18																\$0
P.S. - Gems (2)		\$30	\$12		\$14		\$15		\$16		\$18		\$20	\$20	\$20	\$20	\$185
P.S. - Radios (55)	\$40																\$0
Parks & Recreation- Ford Escape				\$26						\$33							\$59
6 Special Projects	\$36	\$355	\$58	\$61	\$64	\$67	\$70	\$74	\$77	\$81	\$85	\$90	\$94	\$99	\$104	\$109	\$1,487
P.S. - Island Wireless Security Camera System		\$300															\$300
Other - Special Projects		\$55	\$58	\$61	\$64	\$67	\$70	\$74	\$77	\$81	\$85	\$90	\$94	\$99	\$104	\$109	\$1,187
Cultural Center - Camera Installation and Services	\$36																
7 Lighting & Signage	\$7	\$53	\$56	\$58	\$61	\$64	\$68	\$71	\$75	\$78	\$82	\$86	\$91	\$95	\$100	\$105	\$1,144
Street Light Replacement & Signage - reserve	\$7	\$53	\$56	\$58	\$61	\$64	\$68	\$71	\$75	\$78	\$82	\$86	\$91	\$95	\$100	\$105	\$1,144
8 Tram	\$174	\$1,775	\$651	\$579	\$608	\$638	\$670	\$704	\$739	\$776	\$814	\$855	\$898	\$943	\$990	\$1,039	\$12,679
Tram Modernization	\$7																\$0
Additional ADA-Compliant Elevator at Manhattan	\$136	\$750															\$750
Replace Roof at the Manhattan Station		\$500															\$500
Tram Bathroom			\$100														\$100
Tram - Painting	\$31																\$0
Tram Capital Reserve		\$525	\$551	\$579	\$608	\$638	\$670	\$704	\$739	\$776	\$814	\$855	\$898	\$943	\$990	\$1,039	\$11,329
9 Southpoint Park	\$0	\$210	\$221	\$232	\$243	\$255	\$268	\$281	\$295	\$310	\$326	\$342	\$359	\$377	\$396	\$416	\$4,531
RESERVE		\$210	\$221	\$232	\$243	\$255	\$268	\$281	\$295	\$310	\$326	\$342	\$359	\$377	\$396	\$416	\$4,531
10 Miscellaneous	\$37	\$579	\$608	\$638	\$670	\$704	\$739	\$776	\$815	\$855	\$898	\$943	\$990	\$1,040	\$1,092	\$1,146	\$12,494
Reserve	\$37	\$579	\$608	\$638	\$670	\$704	\$739	\$776	\$815	\$855	\$898	\$943	\$990	\$1,040	\$1,092	\$1,146	\$12,494
TOTAL CAPITAL IMPROVEMENTS	\$3,398	\$37,646	\$16,604	\$16,727	\$10,945	\$7,022	\$7,088	\$7,309	\$6,475	\$6,691	\$7,078	\$7,315	\$7,815	\$8,168	\$8,598	\$9,018	\$164,498