



## Roosevelt Island Operating Corporation Performance Measure Report

### 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 (“RIOCI”) has promoted the development of approximately 5,500 units of housing, with the expected development of approximately 500 additional units. Of the built out units of housing stock, approximately 58% are affordable under Federal Section 8, NYS Mitchell-Lama, NYC Inclusionary Housing Programs or qualifying units sold or rented as Middle Income Affordable Housing (see Figure 1 below).

Building	Address	Unit Count	To Be Developed	Total	Number Affordable	Percentage Affordable
Manhattan Park	2-40 River Road Roosevelt Island, NY 10044	1,107		1,107	222	20%
Roosevelt Landings	500-580 Main Street Roosevelt Island, NY 10044	1,003		1,003	1,003	100%
The Octagon	888 Main Street Roosevelt Island, NY 10044	500		500	100	20%
Island House	543-585 Main Street Roosevelt Island, NY 10044	400		400	400	100%
Southtown	405-475 Main Street Roosevelt Island, NY 10044	1,202	540	1,742	697	40%
Westview	587-625 Main Street Roosevelt Island, NY 10044	371		371	371	100%
Rivercross	501-541 Main Street Roosevelt Island, NY 10044	377		377	377	100%
<b>Total:</b>		<b>4,960</b>	<b>5,500</b>	<b>5,500</b>	<b>3,170</b>	<b>58%</b>

*Note: Unit Counts and Percentages are Approximate Values.*

**Figure 1**

Of the total 3,170 affordable units developed above, 2,151 units (68% of the affordable units) were developed through the NYS Mitchell Lama (ML) program in the mid to late 70’s. The ML developers have the option after twenty years to exit the program and convert to a market rate building. As of the date of this report, Roosevelt Landings (Formerly Eastwood) has exited the ML program whereby existing tenant rents will continue to be subsidized but units that become vacant will convert to market rate. Approximately 20% of the units have been converted to market rate units. The remaining three ML buildings are in various stages of negotiation whereby a “30 Year Affordable Program” is being sought in exchange for subsidized ground lease extensions.

RIOCI has also engaged in capital projects to preserve the Island’s landmarks, including: the Blackwell Island Lighthouse, the Octagon Tower, the Strecker Memorial Laboratory, the Smallpox Hospital (Renwick Ruin), Blackwell House, and the Chapel of the Good Shepherd. Maintenance of these structures is prioritized in the

capital plan, and currently additional work is being performed on Blackwell House — to be completed in June 2013 — as well as the Chapel roof.

For a detailed overview of RIOC’s capital projects, please see the five-year “RIOC Capital Management Plan” (attached).

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

As part of its mission the Corporation has fostered the development of this 147-acre island by promoting public facilities including a transit system, pedestrian walkways, open spaces, and a street system. The initial planners promoted the development of a centralized parking facility that currently provides 1,522 parking spaces. A fourth quadrant may be required as part of development of Southtown 7-9 that would increase garage parking to approximately 2,000 parking spaces.

The Tram Modernization project was substantially completed and the Tram was back in operation on November 30, 2010. The Tram stations improvements are scheduled to be completed by the end of 2013. The infrastructure improvement was funded through a \$15 million grant from the State of New York and \$10 million from RIOC. This important transportation mode shuttles approximately 2,200,000 riders per year between Roosevelt Island and Manhattan. During the fiscal year ended March 31, 2012, Tramway revenue exceeded the budget by \$553,891 or 15%.

Roosevelt Island has a public school, PS / IS 217, which currently has 410 students enrolled. Also, The Child School / Legacy High School, a government funded private school specializing in educating children with special needs, is also located on Roosevelt Island — serving approximately 300 students. The Island is also home to a library, community center, and senior center.

RIOC also promotes recreational activities and has developed the Sportspark that includes a swimming pool, full-size basketball court, ping pong room, and weight room. Open recreational spaces include Lighthouse Park, Octagon Soccer Field, Octagon Pony Field, Capobianco Field, and Firefighters Field and Southpoint Park. The Four Freedoms Park, a memorial to honor President Franklin D. Roosevelt located on the southernmost tip of Roosevelt Island, is scheduled for completion in the fall of 2012. Once completed, it is anticipated that within time, the Memorial will become one of New York City’s top tourist destinations.

The infrastructure for basic utilities has been developed, and residential buildings are connected to the Automated Vacuum (“AVAC”) facility, an underground network of pipes that disposes of trash, eliminating the need for the majority of curb-side pickup. The Island has a low crime rate, and is protected by members of the RIOC Public Safety Department (“PSD”), which provides a twenty-four-hour-a-day, seven-day-a-week presence on the Island.

The Island has 99,134 square feet of above grade rentable commercial retail space located along the Main Street corridor. This retail space is separated into 35 spaces. RIOC entered into a Master Sublease Agreement (“the Agreement”) with Hudson/Related Realty LLC. The retail space has 33,758 square feet of above grade space that is currently vacant or occupied by a public agency, or not-for-profit tenant who is not paying rent — reflecting a 34% vacancy rate. Due to the vacancy rate, RIOC’s Net Operating Income has not reached its full potential. The Agreement will alleviate this situation by providing a guaranteed minimum annual payment, as well as a 50/50 split of additional rental income which will be considered “profit sharing”.

**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 ensured compliance with all applicable provisions of the New York State Public Authorities Law, and maintains ethical guidelines by which officers, directors, and employees must abide. In addition, 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, and Policies on Reporting Misconduct and Protection Against Adverse Personnel 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 the 2011-12 fiscal year. The capital budget is prioritized to match the Corporation's strategic planning process and revenues have produced reserve funds, which are invested for necessary development and maintenance without relying on State subsidies.

**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 City Police Department's 114<sup>th</sup> Precinct, with the Fire Department and their Medical Services (EMS), PSD provides a 24-hour a day, seven-day-a-week presence on the Island.

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

The dual Tram system now better meets the transportation needs of the residents and visitors: More passengers are shuttled quickly and safely and there is greater availability — the system allows for one cabin to continue operations while the other is down for preventive maintenance — and it is more reliable with redundant generators to power the system.

The development of Southpoint Park is progressing. Phase I, which includes the stabilization of the Renwick Ruins, was completed and Phase II has been substantially completed; the park is open to the public. The \$13,300,000 project is funded by appropriations from the City of New York for \$4,500,000, the State of New York for \$4,400,000, and \$4,400,000 from RIOC. The park significantly enhances the availability of vibrant open space to the community, while naturally benefiting in usage from the scores of visitors that the aforementioned Franklin D. Roosevelt Four Freedoms Park will attract.

**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 — utilizing 7 hybrid-electric buses powered by ultra-low-sulfur diesel fuel, thereby limiting production of greenhouse gases. A transportation planner on the Corporation's staff enhances these services by optimizing route and scheduling efficiencies. The Corporation has also purchased neighborhood electric vehicles to the extent possible to lessen dependence on fossil fuel utilizing vehicles for light duty usage by employees. A feasibility study is currently taking place to install solar panels on the Motorgate garage.

**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 meetings pursuant to the NYS Open Meetings Law. The web site provides relevant information to stakeholders, such as community information and information about the Corporation's operations and finances. Advisories are also sent to stakeholders informing them about emergency situations, traffic/transportation advisories affecting the island, and community events.

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

The fares for stakeholders riding the Aerial Tramway are collected on RIOC's behalf via the MetroCard 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. The aforementioned Agreement between RIOC and Hudson/Related is a partnership that will promote utilization of the island's commercial sector, thereby increasing stakeholder's access to goods and services.