

**NEW YORK CITY DEPARTMENT OF TRANSPORTATION  
TESTIMONY BEFORE THE SUBCOMMITTEE ON ZONING AND FRANCHISES  
REGARDING RESOLUTION 1349-2017  
JANUARY 5, 2017**

Good Morning Chairman Richards and members of the Subcommittee on Zoning and Franchises. My name is Michelle Craven and I am Senior Executive Director of Cityscape and Franchises at New York City Department of Transportation. I joined today by Franco Esposito, Supervising Senior Counsel, and Benjamin Smith, Deputy Director of Legislative Affairs.

Pursuant to its authority under Executive Order No. 25, dated August 23, 1995, and in accordance with the procedures set forth in Section 363 of Chapter 14 of the Charter of the City of New York, DOT has prepared and submitted to the Council a proposed Authorizing Resolution which would authorize DOT to grant a franchise for the provision of aerial tramway service over the East River between Manhattan and Roosevelt Island to the Roosevelt Island Operating Corporation or "RIOC." The service that will be provided pursuant to such franchise will promote the interest of the public by ensuring the continued operation of the iconic Roosevelt Island Tramway.

This Resolution will authorize DOT to enter into a "sole source" franchise agreement with RIOC, a New York State public benefit corporation, for the provision of the tramway service. We believe this is the appropriate process to follow in this instance, taking into consideration the history surrounding the Tramway. In 1969, the City leased various lands, buildings, and structures to the New York State Urban Development Corporation for the purpose of developing Roosevelt Island. In 1974, UDC was granted a 10 year franchise agreement from the City to construct, maintain, and use the Tramway. In 1990, RIOC (as the successor interest to UDC in matters involving Roosevelt Island) was granted an interim operating authority to continue to maintain and operate the Tramway.

Although the franchise agreement expired in 1995, RIOC continues to operate and maintain the Tramway. The State has expended significant funds in constructing, maintaining, and upgrading the Tramway. The Tramway continues to provide alternative transportation for Roosevelt Island residents, workers, and visitors, a significant percentage of which are seniors and people with disabilities as well as students. As part of the prior interim operating authority, the City continues to receive .5% of the tramway's gross receipts as compensation. The proposed Resolution would ensure that the Tramway can continue to provide service to the public, with appropriate oversight from the City.

I would like to specifically address two points about the requirements of the franchise agreement authorized by the proposed resolution that I know are important to Members of the Council.

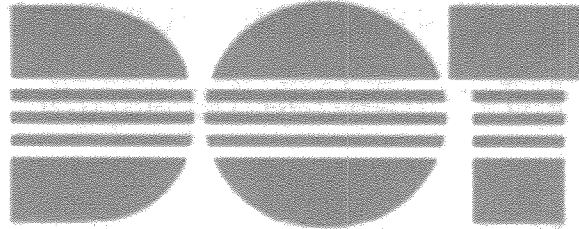
First, regarding advertising, RIOC will be permitted to place advertising inside the Tramway cars and stations but not on the exterior of the cars. This will continue the requirements and restrictions currently in place.

Second, the franchise agreement will provide for appropriate oversight by DOT, including the following requirements:

- RIOC will be required to retain an independent licensed and qualified engineer to conduct inspections at least annually and provide the results of such inspection to DOT.
- RIOC will be required to provide adequate service to the public, as well as such artificial illumination of the tramway as is required for public welfare and sufficient light, heat, and ventilation in enclosed portions of the tramway at all times during operational hours in accordance with its schedules as published from time to time and maintained on file with DOT.
- The contract agreement must include provisions establishing standards of performance and reporting mechanisms related to the operation and maintenance of the Tramway.
- DOT will be entitled to inspect the Tramway's facilities, equipment, or service at any time.
- RIOC must maintain books of account and records for the Tramway in accordance with Generally Accepted Accounting Principles and make them available to DOT upon request.

Accordingly, on behalf of the Mayor, the New York City Department of Transportation urges the prompt adoption of the Resolution for granting a franchise to RIOC to continue to operate and maintain the Tramway. Thank you for the opportunity to testify before the Subcommittee today. I would now be happy to answer any questions.

**NEW YORK CITY**



## Roosevelt Island Tramway Timeline and Structures

**SUBCOMMITTEE ON ZONING AND FRANCHISES  
HEARING REGARDING RESOLUTION 1349-2017  
JANUARY 5, 2017**

## Timeline

- In 1969, the City leased various lands, buildings, and structures to the New York State Urban Development Corporation (“UDC”) for the purpose of developing Roosevelt Island.
- In 1974, UDC was granted a 10 year franchise agreement from the City to construct, maintain, and use the Tramway.
- In 1990, RIOC (the successor interest to UDC in matters involving Roosevelt Island) was granted an interim operating authority to continue to maintain and operate the Tramway.
- Although the franchise agreement expired in 1995, RIOC continues to operate and maintain the Tramway.

# Structures

Tramway stations are located near the Queensboro Bridge on the Upper East Side of Manhattan at 2nd Avenue and East 60th Street on the west and Roosevelt Island to the east as indicated below



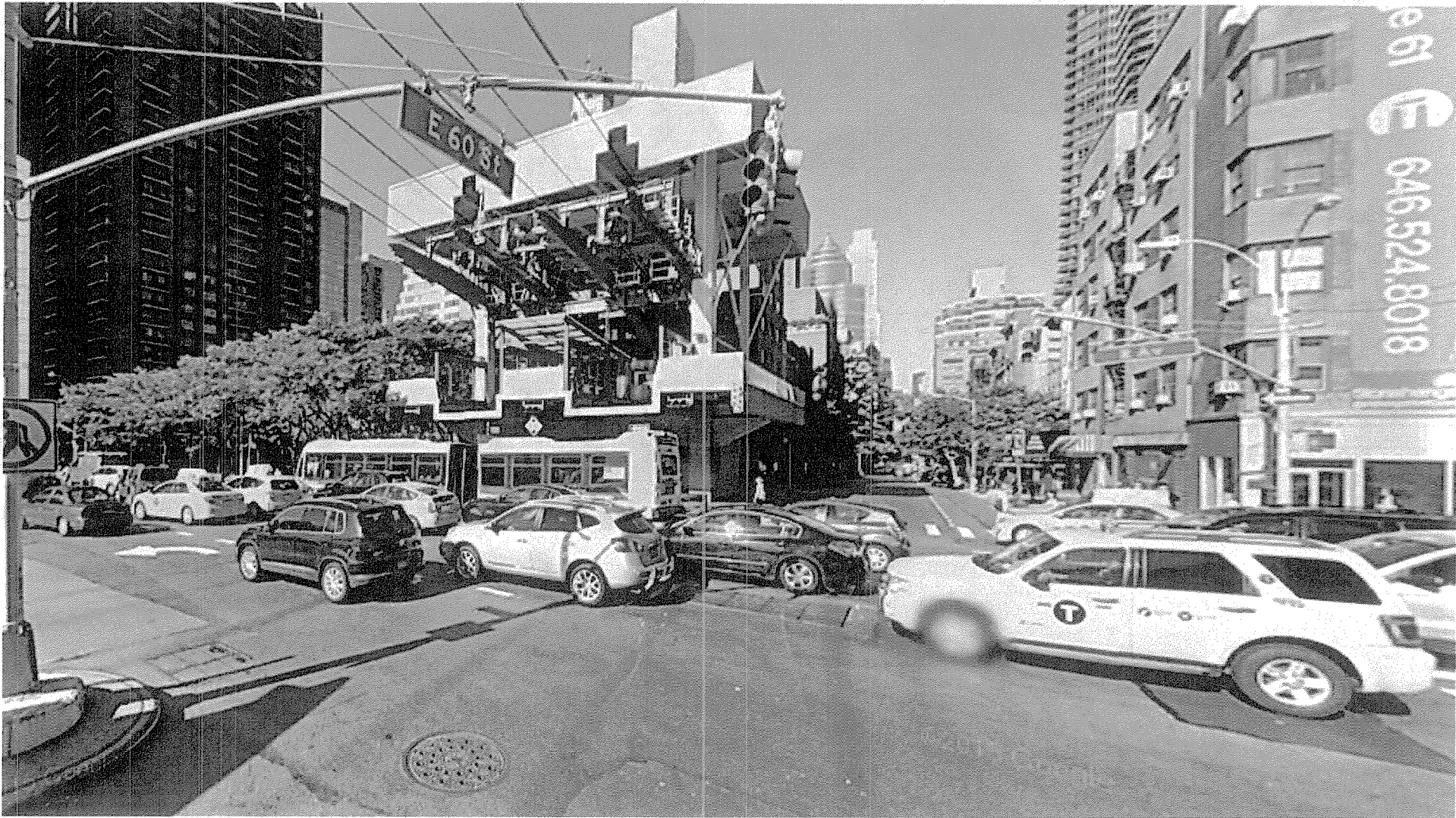


# Close up of Tramway station area: Manhattan

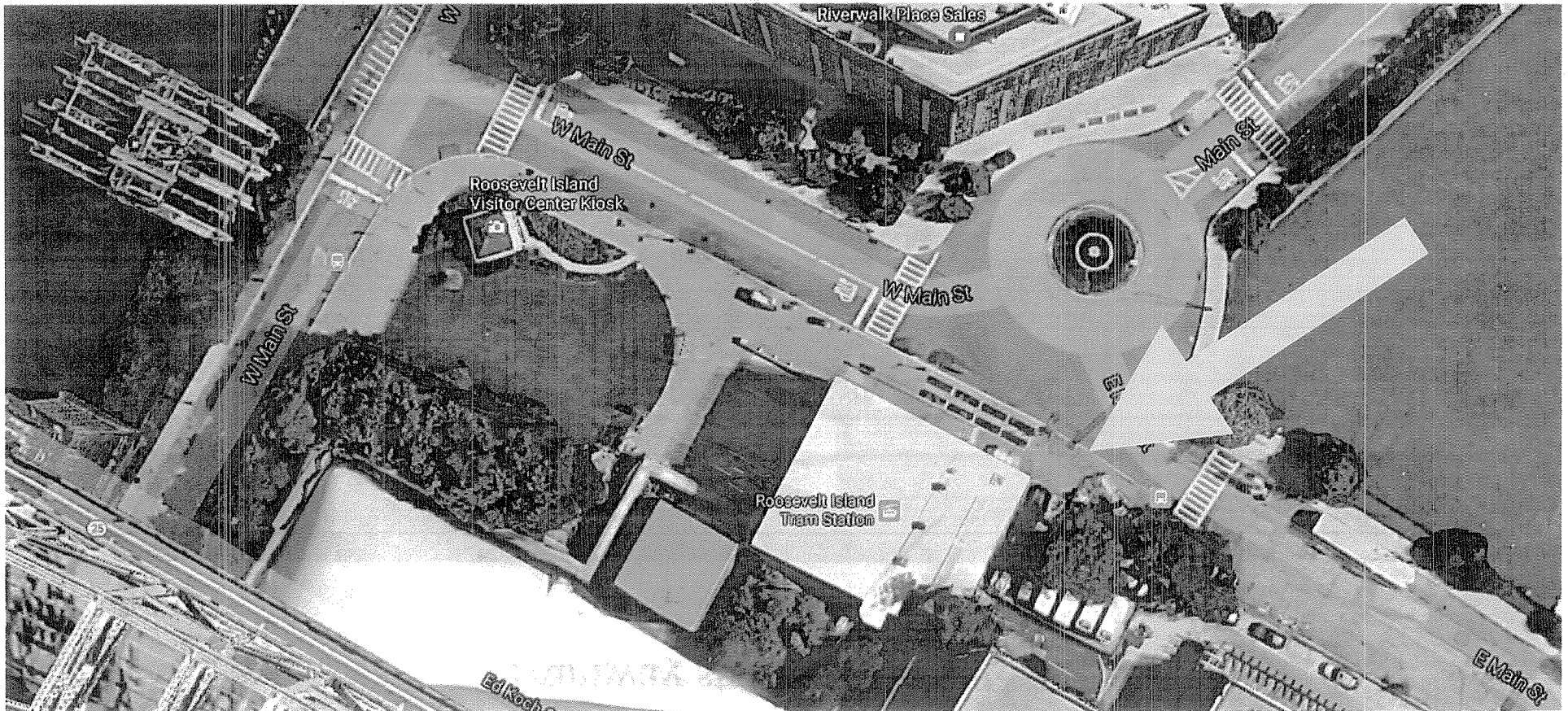




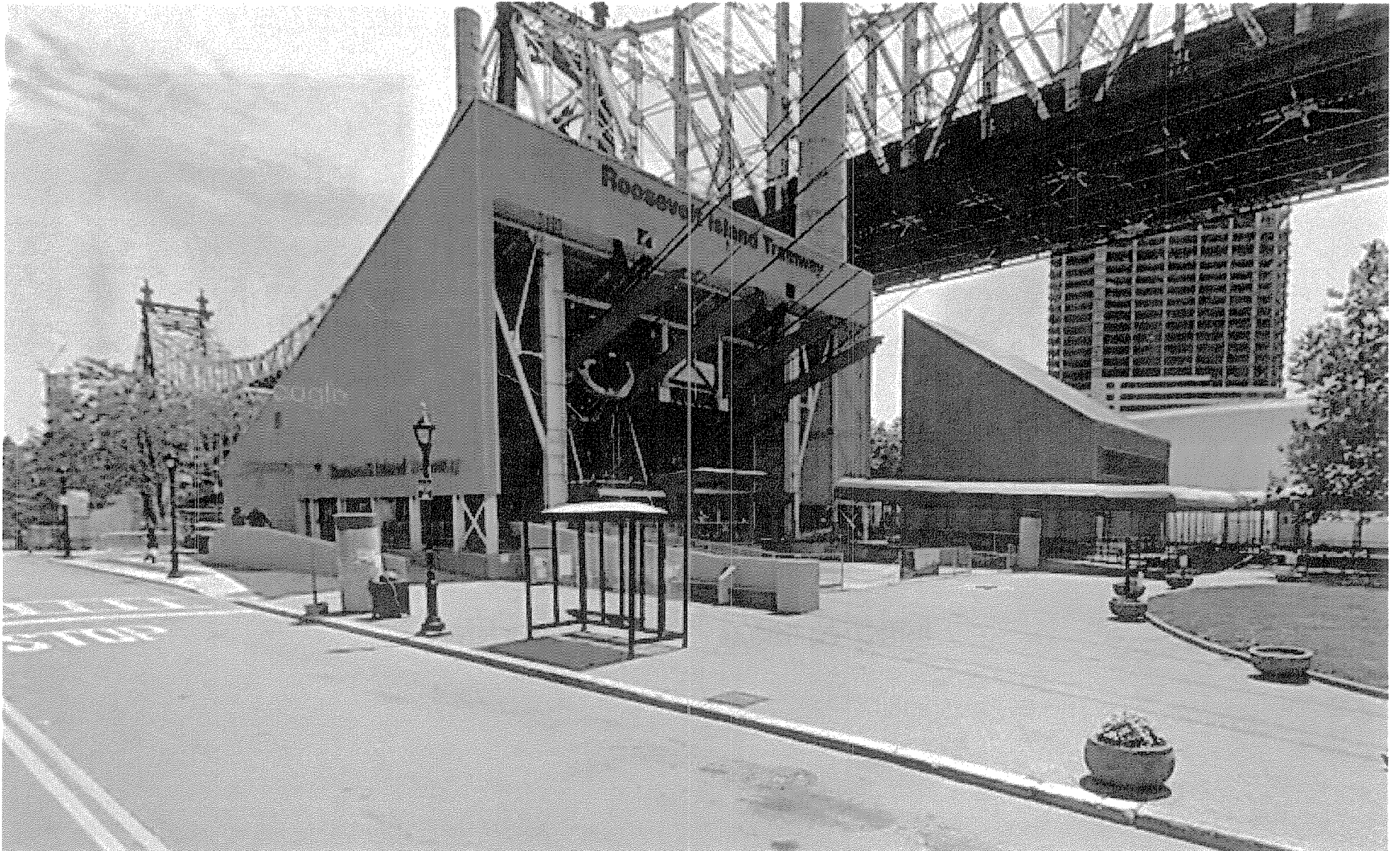
# Tramway station: Manhattan



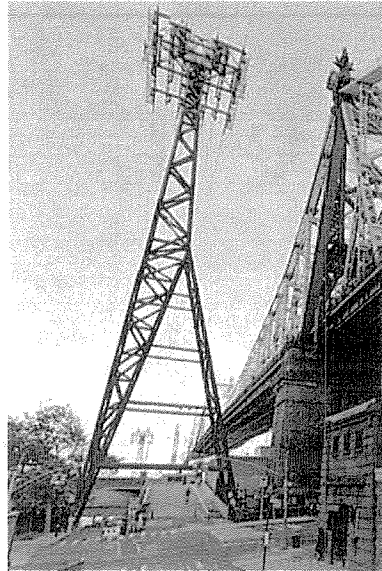
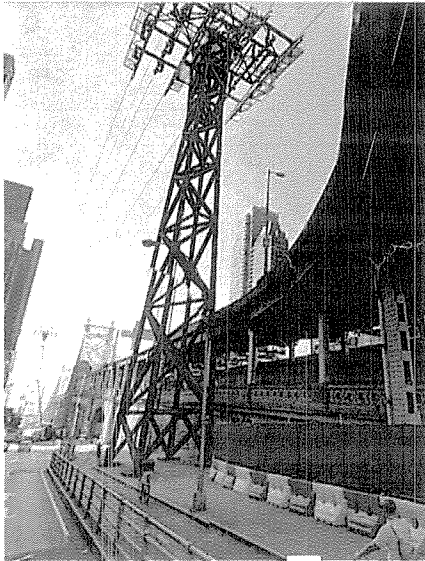
# Close up of Tramway station area: Roosevelt Island



# Tramway station: Roosevelt Island



## Support towers: West to East



**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 1/5/17

(PLEASE PRINT)

Name: FRANCO ESPOSITO

Address: 55 WATER ST. - 9<sup>th</sup> FLOOR

I represent: NYC DOT

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: Jan 5, 2017

(PLEASE PRINT)

Name: Michelle Craven

Address: 55 Water Street, 9<sup>th</sup> Floor

I represent: NYC DOT

Address: 55 Water Street, 9<sup>th</sup> Floor

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Benjamin Smith

Address: DOT

I represent: Dep. Dir. of Legislative

Address: Affairs

Please complete this card and return to the Sergeant-at-Arms