

FOR IMMEDIATE RELEASE:**December 1, 2004****GOVERNOR ANNOUNCES PARTNERSHIP BETWEEN DEVELOPERS, UNIONS
FOR HISTORIC OCTAGON BUILDING ON ROOSEVELT ISLAND 500**

Mixed-Income Units, More than 1,000 Jobs for \$170 Million Project

Governor George E. Pataki today announced the groundbreaking for the construction of 500 units of mixed-income housing going up on Roosevelt Island at the Octagon Building, one of New York's significant architectural landmarks. The project will create more than 1,000 construction jobs.

Becker and Becker Associates designed and will develop the project. Multi-Employer Property Trust is providing financing and Bank of America is providing tax credit equity investment in the project.

"This is a landmark project for a landmark building which will be constructed through the great cooperation between real estate developers and unions," Governor Pataki said. "This project means quality housing and a thousand new construction jobs for New York. This shows that when New Yorkers decide to work together and embrace the future anything can be accomplished."

Commissioner Judith Calogero of the State Division of Housing and Community Renewal and Chairwoman of the Roosevelt Island Operating Corporation, which develops the island, said, "Once again, under the leadership of Governor George E. Pataki we are bringing together the best of all worlds; creating affordable housing, preserving a national landmark, constructing housing that is environmentally smart and expanding open space. These are all good things to do."

Herbert E. Berman, President/COO of RIOC said, "Through the vision of Governor Pataki we have brought together an array of officials, public and private, to support this project to get it done. The Octagon Apartments and Ecological Park are a shot in the arm for Roosevelt Island. We hope this project will be a catalyst to fully realize Roosevelt Island's potential."

The Octagon, listed on the National Register of Historic Places, is the eight-sided remnant of an 1839 building that housed an asylum and later the Metropolitan Hospital. Developer Becker and Becker, of Fairfield, Connecticut, known nationally for its work in landmark preservation, stabilized the Octagon in 2002 and designed complementary flanking wings for the 500 apartment units.

"More than five years of creative planning, focused teamwork and persistent collaboration have resulted in an approach that is as unique as the site itself," said Bruce Becker, president, Becker and Becker. "We have combined in one project historic preservation, state-of-the-art environmental engineering, affordable housing and public space design. Octagon is a signpost toward what the future of New York can be."

Multi-Employer Property Trust (MEPT) is providing \$145 million in financing for the project. Bank of America is providing more than \$14.1 million in total tax credit equity investment for the project, including \$9.9 million in Federal Historic Tax Credit equity and \$4.2 million in New York Green Building Tax Credit equity.

"As a leader in community development, Bank of America is committed to the future of New York as a city of neighborhoods where people can afford to live, work and enjoy themselves," said Carter McClelland, president, Bank of America New York. "This project demonstrates the way we will deliver on our commitment in New York as part of our \$750 billion goal for community development programs nationwide."

Members of 26 unions will work on the project under the general contractor Gotham Construction. (see attached list)

Edward J. Malloy, President, Building and Construction Trades Council of Greater New York said, "The Octagon Park Apartments project is proof that affordable housing can be built by workers who are paid good union wages with health and pension benefits. It is also a prime example of the fact that union labor continues to invest in economic growth and jobs for New York City. We commend Governor Pataki for partnering with us in this effort."

Construction is expected to take two years. The project has a number of singular features including the restoration of the exterior of the Octagon Tower as it appeared more than a century ago with a reinvention of the five-story flying circular staircase that will serve the common areas.

Of the 500 units, 100 will be dedicated as affordable housing for middle-income New Yorkers, the balance will be sold at the market rate.

The project will utilize state-of-the-art Green Building technology such as high-efficiency boilers, heat pumps, solar panels and windows. The project is the recipient of most "green credits" awarded to date under Governor Pataki's Green Building Tax Credit initiative. Last June the project design was cited in the City's Green Building Design Competition, sponsored by the City Department of Environmental Protection and the federal EPA, for its "leadership in applying sustainable design principles to residential development."

The project has received approval from the US Department of the Interior, the New York State Office of Parks, Recreation and Historic Preservation and the New York City Landmarks Preservation Commission.

Commissioner of the New York State Office of Parks, Recreation and Historic Preservation Bernadette Castro said, "Throughout its rich history New York State has been home to many celebrated architects and among the earliest and most significant was A. J. Davis, known for his picturesque private residences and monumental public buildings. One too many Davis buildings have been destroyed for lack of a willing developer and a viable reuse.

The Octagon is an exceedingly significant structure and New York, indeed the nation, can ill afford to lose another work by this master architect. Becker and Becker's development plan represents the best prospect of saving the Octagon."

The Octagon Project will expand and improve Roosevelt Island's public open space and recreational amenities, including the ecological park. The park will provide Roosevelt Island with an attractive educational and functional resource enhancing the existing open-space network on the island, adding a quarter acre of new open space. Additionally there will be six new public tennis courts, a new playground and a day care center immediately adjacent.

Nearly five-acres of Roosevelt Island will undergo substantial improvements, where the development will occupy less than 2.5 acres. The apartments will consist of two wings extending south and west of the Octagon Tower, mimicking the layout of the original structure, and will feature a swimming pool and interior courtyard as well as a fitness center, screening room, club room and gallery.

Judy Berdy of the Roosevelt Island Historical Society said, "The Roosevelt Island Historical Society is thrilled that the long abandoned Octagon will soon be restored. We are happy to see that it will be rebuilt in its original style and again a focal point of New York City history."

RIOC is a public benefit corporation created in 1984 to finish the general development plan for Roosevelt Island, a mile-long outcrop in the East River that was first identified for residential development in 1969 for a population of 20,000.

As with the rest of Roosevelt Island, the land associated with The Octagon Tower will be retained by the City of New York under the City's 1969 master lease agreement with RIOC's predecessor agency. RIOC will enter into a sub-lease with the developer, with title to be held by RIOC, until the expiration of RIOC's master lease with the City in 2068 or earlier if possible, when title will revert to the City.

Trade Unions Employed at Octagon

Plumbers - Local # 1

Dock Builders - Local # 1456

Laborers - Local # 731, # 79, # 18A, # 6A, # 20

Mason Tenders - Local # 79

Electricians - Local # 3

Tile Setters - Local # 52, # 88

Marble Setters - Local # 20, # 4

Tile, Terrazzo & Marble - Local # 7

Sheet Metal - Local # 28

Steam Fitters - Local # 638

Teamsters - Local # 1205, # 282

Carpenters - Local # 1536, # 608, # 157

Elevator Constructors - Local # 1

Operating Engineers - Local # 14, # 14B

Misc./Iron Steel Erectors - Local # 580

Structural Erectors - Local # 40

Steel Fabricators - Local # 810

Masons, Pointers, Caulkers & Stone Setters - Local # 1, # 780 Roofers - Local # 154, # 8 Lathers - Local #

46 Oilers - Local # 15

Surveyors - Local # 15D Plasterers - Local # 530 Steam Fitters - Local # 638 ###

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