MINUTES OF THE MEETING OF THE AUDIT COMMITTEE OF HUDSON YARDS INFRASTRUCTURE CORPORATION

April 27, 2011

A meeting of the Audit Committee (the "Committee") of Hudson Yards Infrastructure Corporation (the "Corporation") was held on April 27, 2011 at approximately 2:00 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following members of the Committee or their alternates were present:

Carol Kostik	- alternate for John C. Liu, Comptroller of The City of New York (the "City")
Raymond Majewski	- alternate for Christine C. Quinn, Speaker of the City Council
Andrew Winters	- alternate for Robert K. Steel, Deputy Mayor for Economic Development of the City
Brian Geller	- alternate for Stephen Goldsmith, Deputy Mayor for Operations of the City

constituting a quorum of the Committee. Kathy Blyn served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation and employees of various agencies of the City.

The meeting was called to order by Andrew Winters, Chairperson of the Committee.

<u>Approval of Minutes of Meeting of March 2, 2011</u>

The first item on the agenda was approval of the minutes of the meeting of March 2, 2011. A motion was made to approve the resolution set forth below approving such minutes. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, the Audit Committee of the Hudson Yards Infrastructure Corporation has reviewed the minutes of the Audit Committee meeting held on March 2, 2011; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of March 2, 2011 be, and they hereby are, approved.

Recommendation to Board of Directors to Approval Independent Auditor Contract

The second item on the agenda was a recommendation to the Board of Directors that it approve a contract with Marks Paneth & Shron LLP ("Marks Paneth") pursuant to which Marks Paneth would become the Corporation's independent auditors. Mr. Winters explained that the firm was selected as a result of a request for proposals specifying price and experience as criteria. Marks Paneth presented the lowest bid. A brief discussion ensued. A motion was made to approve the resolution set forth below with respect to the contract. The motion was seconded and, there being no objections, approved.

WHEREAS, the Audit Committee of the Hudson Yards Infrastructure Corporation (the "Corporation") is authorized, pursuant to Section III(a) of the Audit Committee Charter, to recommend to the Board of Directors of the Corporation the appointment and retention of the Corporation's independent auditors; and

WHEREAS, following a request for proposals, the selection committee of the Corporation has selected the firm of Marks Paneth & Shron LLP; it is hereby

RESOLVED, that Audit Committee recommends that the Board authorize the Officers of the Corporation to enter into an agreement with Marks Paneth & Shron LLP to serve as independent auditors for the Corporation's financial statements for the fiscal years ending June 30**,** 2011, 2012 and 2013 with a one one-year extension upon recommendation of the Audit Committee to cover the audit of the Corporation's financial statements for the fiscal year ending June 30, 2014, which agreement shall contain such other terms and conditions which are not inconsistent with this resolution as the staff of the Corporation shall determine, and which agreement shall provide for compensation not to exceed the following rates:

2011	2012	2013	2014

Audit	$27,500	$28,500	$29,500	$30,500

Special Projects (per hour)

Position	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**
Partner	$315	$325	$335	$340
Manager	$165	$170	$175	$180
Senior	$120	$125	$130	$135
Associate	$100	$105	$110	$115
Specialists	$210	$220	$235	$240

Presentation of Audit Plan

The third and final item on the agenda was the presentation by Marks Paneth of their audit plan. Michele Mark Levine, the Comptroller of the Corporation, pointed out that the audit plan to be presented would go into effect only if the Committee's recommendation to the Board of Directors to accept Marks Paneth as the Corporation's independent auditors is accepted by the Board. She then introduced Warren Ruppel and Dina Hlinka of Marks Paneth. Mr. Ruppel referred to a booklet which was before the Committee members containing the audit plan and reviewed the booklet's content. During this presentation brief discussions ensued with respect to the impact of GASB Accounting Statement No. 54 and other matters. In addition, as part of the presentation Mr. Ruppel explained that he is required to ask the Committee members if they have any knowledge or suspicion of fraud or whistleblower activity. The members replied that they did not. He also encouraged Committee members who wished to focus on a particular area with respect to the audit to bring this to his attention now or in the future.

Adjournment

There being no further business to come before the Committee, upon motion duly made and seconded, there being no objections, the meeting was duly adjourned.

ASSISTANT SECRETARY