

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE HUDSON YARDS INFRASTRUCTURE CORPORATION**

April 15, 2015

A meeting of the Board of Directors (the “Board”) of the Hudson Yards Infrastructure Corporation (the “Corporation”) was held on April 15, 2015 at approximately 3:25 p.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following members of the Committee were represented by their alternates:

Dean Fuleihan, Director of Management and Budget of The City of New York (the “City”), represented by Alan Anders;

Scott M. Stringer, Comptroller of the City, represented by Carol Kostik;

Melissa Mark-Viverito, Speaker of the City Council, represented by Raymond Majewski; and

Anthony Shorris, Deputy Mayor for Operations of the City, represented by Peter Hatch; constituting a quorum of the Board. Michael Moore 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 and State of New York.

The meeting was called to order by Mr. Anders.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Directors which occurred on November 25, 2014. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved:

WHEREAS, the Board of Directors of the Hudson Yards Infrastructure Corporation (the “Corporation”) has reviewed the minutes of the previous meeting of the Board of Directors held on November 25, 2014; it is therefore

RESOLVED, that the minutes of the Board of Directors meeting November 25, 2014, are hereby approved.

Approval of Budget

The second item on the agenda was approval of the Corporation’s budget. Mr. Anders explained that pursuant to the Section 2801(2) of the Public Authorities Law, the Corporation is required to submit a budget report to city and state various officials, and he briefly described such report. Ms. Kostik inquired about the Eastern Rail Yard Transferable Development Rights and Pilot Payments. A brief discussion ensued. A motion was made to approve the resolution set forth below with respect to the budget report and financial plan.

WHEREAS, the Hudson Yards Infrastructure Corporation (the “Corporation”), pursuant to Section 2801(2) of the Public Authorities Law (the “PAL”), is required to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at least sixty days before the commencement of its fiscal year, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year; and

WHEREAS, the Corporation is also required, pursuant to the PAL, Section 2800(2)(a)(14) to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at a minimum a four-year financial plan, including (i) a current and projected capital budget, and (ii) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance;

WHEREAS, the Board of Directors of the Corporation has reviewed the budget information and financial plan attached hereto and found it to be satisfactory; it is therefore

RESOLVED, that the Board of Directors of the Corporation approves the budget information and financial plan as attached hereto.

Approval of Independent Auditors Contract

The third item on the agenda was the approval of the Independent Auditors Contract with Marks Paneth. The representatives from Marks Paneth left the meeting room. Mr. Anders then explained that the Corporation previously had a contract with Marks Paneth to provide independent auditor services for the Corporation’s annual financial statements for the fiscal years ending June 30, 2012, 2013 and 2014. He stated that the Audit Committee has recommended retaining Marks Paneth to provide independent auditor services for the Corporation’s financial statements for fiscal years ending June 30, 2015, 2016, and 2017 with an optional one-year extension. A brief discussion ensued. A motion was then made to approve the resolution set forth below. 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 LLP (“Marks Paneth”); 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 to serve as independent auditors for the Corporation’s financial statements for the fiscal years ending June 30, 2015, 2016 and 2017 with a one one-year extension at the discretion of the Corporation with no further action required by the Audit Committee or Board of Directors to cover the audit of the Corporation’s financial statements for the fiscal year ending June 30, 2018, 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:

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Audit	\$20,000	\$21,000	\$22,000	\$23,000

Special Projects (per hour)

Position	FY 2015	FY 2016	FY 2017	FY 2018
Partner	\$310	\$315	\$320	\$325
Manager	\$175	\$180	\$185	\$190
Senior	\$135	\$140	\$145	\$150
Associate	\$115	\$120	\$125	\$130
Specialists	\$230	\$235	\$235	\$240

The representatives of Marks Paneth then returned to the meeting room.

Approval of Directors' and Officers' Insurance Contracts

The fourth item on the agenda was the procurement of Directors' and Officers' Liability Insurance. Mr. Anders explained that the resolution under discussion would approve the procurement through a broker, Wells Fargo Insurance Services, USA, Inc., of such insurance from a group of insurance companies. He noted that the contract will provide insurance coverage for the period starting May 25, 2015 through May 24, 2016 with the annual premium plus the broker's fee not to exceed \$235,000. A motion was made to approve the resolution set forth below. The motion was seconded and, there being no objections, approved.

WHEREAS, despite their diligence and good faith, directors and officers of the Hudson Yards Infrastructure Corporation (the "Corporation") may be subject to potentially large personal financial liability in connection with the Federal securities laws or otherwise arising from their service to the Corporation; and

WHEREAS, Article VI of the Bylaws of the Corporation provides that the Corporation shall indemnify each member, director and officer, to the fullest extent permitted by law; and

WHEREAS, Directors' and Officers' Liability Insurance is a prudent supplement to such indemnification; it is therefore

RESOLVED, that the Corporation hereby approves the procurement of Directors' and Officers' Liability Insurance policies through Wells Fargo Insurance Services, USA, Inc. from American International Group ("AIG"), Zurich American Insurance Company ("Zurich"), Liberty Mutual Insurance Company ("Liberty Mutual"), Aspen Insurance ("Aspen") and Chubb Group of Insurance Companies ("Chubb" and together with AIG, Zurich, Liberty Mutual and Aspen, the "Insurers"), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2015 through May 24, 2016; provided that the

annual premium payable by the Corporation to the Insurers, plus the brokers fee, will not exceed \$235,000, and said policies shall contain such other terms and conditions not inconsistent with the foregoing which the President or such other officer of the Corporation shall deem necessary, desirable or appropriate and that the President shall be authorized to procure such insurance coverage.

Approval of Eastern Rail Yard Transferrable Development Rights Disposition and Pricing Mechanism Policy

The fifth item on the agenda was the review and approval of the Corporation's Eastern Rail Yard Transferrable Development Rights Disposition and Pricing Mechanism Policy (the "Policy"). Mr. Anders informed the Directors that the Corporation commissioned a pricing study update in 2015 to determine the per square foot value of the Eastern Rail Yard Transferrable Development Rights, and that the updated pricing study has now been completed. The Policy is being extended to June 30, 2015 while the result of the updated pricing study is reviewed by the Directors. Following a brief discussion, a motion was made to approve the resolution set forth below. The motion was seconded and, there being no objections, approved.

WHEREAS, on January 16, 2009, the Board of Directors (the "Board") of the Hudson Yards Infrastructure Corporation (the "Corporation") approved an Eastern Rail Yard ("ERY") Transferrable Development Rights ("TDRs") Disposition and Pricing Mechanism Policy (the "Policy"), which was based on a pricing study commissioned by Hudson Yards Development Corporation ("HYDC") and subsequently approved an amended Policy on April 9, 2013 and November 25, 2014; and

WHEREAS, the Board extended the effective date of the Policy through April 15, 2015 while an updated pricing study was completed, and such pricing study has now been completed; and

WHEREAS, the Board believes that it is in the best interests of the Corporation to extend the Policy to June 30, 2015 while the result of the updated pricing study is reviewed by the Board; it is therefore

RESOLVED, that the Policy, as attached, is hereby approved and shall remain effective through June 30, 2015, and the Officers of the Corporation are hereby authorized and directed to execute documents in connection with the sale of TDRs provided that the pricing of each such sale complies with the Policy; and

FURTHER RESOLVED, that, prior to June 30, 2015, the Board shall determine whether the Policy should be amended.

Approval of Mission Statement Performance Measures and Authorization to Publish Measurement Report

The sixth item on the agenda was the review and approval of the Corporation's Mission Statement and Performance Measures. Mr. Anders noted that the Mission Statement and Performance Measures are required to be reviewed pursuant to Section 2800 of the Public Authorities Law, and that no Directors that no changes are proposed at this time. A motion was made to approve the resolution set forth below approving the Corporation's Mission Statement and Performance Measures, and to authorize the publishing of the Measurement Report. The motion was seconded and, there being no objections, approved.

WHEREAS, pursuant to Section 2800 of the Public Authorities Law (the "PAL"), the Board of Directors (the "Board") of the Hudson Yards Infrastructure Corporation (the "Corporation") previously adopted a Mission Statement on October 4, 2007 and amended it on March 2, 2011 to add Performance Measures by which the Corporation could evaluate whether its policies and performance meet the stated goals of its Mission Statement, and subsequently amended the Mission statement and Performance measures on April 2, 2013 and May 13, 2014; and

WHEREAS, the Corporation is required to annually review the Mission Statement and Performance Measures and to publish a Measurement Report which utilize the Performance Measures to evaluate whether the Corporation's policies and performance meets the stated mission of the Corporation; and

WHEREAS, the Board has reviewed the Mission Statement and Performance Measures, and the completed Measurement Report, and has found them to be reasonable and accurate; it is hereby

RESOLVED that Board accepts the Mission Statement and Performance Measures as attached hereto and authorizes the completed Measurement Report to be published on the Corporation's website and submitted to the Authorities Budget Office.

Annual Approval of Policy on the Acquisition and Disposition of Real Property

The seventh item on the agenda was the proposed annual approval of the Corporation's Policy on the Acquisition and Disposition of Real Property. Mr. Anders explained that pursuant to Section 2896 of the Public Authorities Law this Policy must be reviewed annually. He noted that there are no proposed changes to the Policy and that the Governance Committee of the Corporation has recommended approval. Then, upon motion duly made and seconded, and there being no objections, the below resolution was approved.

WHEREAS, the Hudson Yards Infrastructure Corporation (the "Corporation"), on October 12, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Acquisition and Disposition of Real Property; and

WHEREAS, Section III(a)(vi) of the Governance Committee Charter requires the Governance Committee periodically review the Corporation's Policy on the Acquisition and Disposition of Real Property and recommend to the Board of the Corporation any changes the committee believes to be desirable; and

WHEREAS, the Committee has reviewed the attached policy and has deemed no changes are desirable; it is therefore

RESOLVED, that the Committee recommends the Board of Directors approve the attached Policy on the Acquisition and Disposition of Real Property.

Annual Approval of Policy on the Disposition of Personal Property

The eighth item on the agenda was the proposed approval of the Policy on the Disposition of Personal Property. Mr. Anders explained that the Corporation is required to annually review the Policy pursuant to the Public Authorities Law. He noted that no changes were made and that the Governance Committee of the Corporation has recommended approval. A motion was made to approve the resolution set forth below approving the Policy. The motion was seconded and, there being no objections, approved.

WHEREAS, the Hudson Yards Infrastructure Corporation (the "Corporation"), on October 12, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Disposition of Personal Property; and

WHEREAS, Section III(a)(vi) of the Governance Committee Charter requires the Governance Committee periodically review the Corporation’s Policy on the Disposition of Personal Property and recommend to the Board of the Corporation any changes the committee believes to be desirable; and

WHEREAS, the Committee has reviewed the attached policy and has deemed no changes are desirable; it is therefore

RESOLVED, that the Committee recommends the Board of Directors approve the attached Policy on the Disposition of Personal Property.

Appointment of Accounting Manager

The ninth item on the agenda was the appointment of Nameca Sharma as Accounting Manager of the Corporation. Mr. Anders noted that the Accounting Manager would aid the Comptroller and Deputy Comptroller in daily accounting functions. A motion was made to approve the resolution set forth below. The motion was seconded and, there being no objections, approved.

WHEREAS, the Board of the Hudson Yards Infrastructure Corporation (the “Corporation”) is duly authorized pursuant to Section 713 of the New York Not-For-Profit Corporation Law to appoint such officers and employees as it may require for the performance of its duties; and

WHEREAS, Staff of the Corporation believe it is reasonable and prudent to appoint an Accounting Manager, to aid the Comptroller and Deputy Comptroller in daily accounting functions; and

WHEREAS, the Board believes that Nameca Sharma is highly qualified to assume the position of Accounting Manager; it is therefore

RESOLVED, that Nameca Sharma is hereby appointed Accounting Manager of the Corporation.

Report of Audit Committee Chair Regarding Audit Committee’s Annual Report and Self-Evaluation

The tenth item on the agenda was a presentation by the Audit Committee Chair with respect to the self-evaluation and Annual Report of the Audit Committee, a copy of which was provided to the Directors at the meeting of the Audit Committee. Mr. Anders, the Chairperson of the Committee, noted that the Committee has expressed its satisfaction with its functioning as set forth in such material.

Report of the President of the Corporation

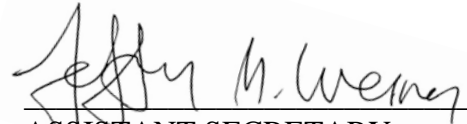
The eleventh and final item on the agenda was a report by Alan Anders, the President of the Corporation. Mr. Anders provided a brief overview of the activities of the Corporation since the last update. He stated that (1) with respect to the MTA and subway construction schedule, MTA and NYCT are aggressively pursuing completion of construction of the project and that services should commence by the end of the 2nd quarter 2015; and (2) the cost of the project is currently forecast to be completed within budget. A brief discussion ensued.

Ms. Kostik and Mr. Majewski requested that when the Corporation reports to the Directors on finances of the Corporation, such reports separate out operating and capital fund revenues and expenditures, so that the Directors can better ascertain the financial performance of the Corporation. The President agreed to incorporate this form of presentation in the future and to reformat the materials distributed at this April 15, 2015 meeting to present the two types of financial activity separately.

Adjournment

There being no further business to come before the Board, upon motion duly

made and seconded, there being no objections, the meeting was duly adjourned.


ASSISTANT SECRETARY