

**MINUTES OF MEETING OF THE AUDIT COMMITTEE OF THE
HUDSON YARDS DEVELOPMENT CORPORATION
September 23, 2013**

A meeting of the Audit Committee of the Hudson Yards Development Corporation (the “Corporation”) was held on September 23, 2013 at 10:30 a.m. in the 7th floor Conference Room at the New York City Office of Management and Budget at 255 Greenwich Street, New York, New York.

Five Directors and Alternate Directors were present, constituting a quorum.

Directors:

Mark Page, New York City Office of Management and Budget

Alternate Directors:

Brian Geller, Office of the Deputy Mayor for Operations for the City of New York

Carol Kostik, Office of the Comptroller for the City of New York

Raymond Majewski, Office of the Speaker of the New York City Council

Kim Vaccari, New York City Economic Development Corporation

Minutes of April 9, 2013 Audit Committee Meeting

Upon motion duly made and seconded, the minutes for the April 9, 2013 meeting of the Audit Committee were approved.

Fiscal Year 2013 Financial Statements

Warren Ruppel of Marks, Paneth & Shron (“MPS”) distributed and discussed its Annual Audit Presentation for Fiscal Year 2013. Mr. Ruppel indicated that based on the Fiscal Year 2013 audit, MPS was recommending certain changes to HYDC’s segregation of duties to strengthen HYDC’s internal controls, and that HYDC management had accepted such recommendation, as set forth in MPS’ Management Letter.

Mark Page, Chair of the Audit Committee, then made the following statement:

Executive sessions are very strongly recommended by the Government Finance Officers Association and the American Institute of Certified Public Accountants. Executive session will allow the auditors to meet privately with Committee members to express any concerns about management and allow Committee members to ask questions about and/or express any concerns we may have. If any material areas of concern that are appropriate for public meetings are raised in executive session, the Committee will bring them to the attention of the full Boards in order that they may

be addressed appropriately in accordance with laws and procedures governing the Authority and Board.

Upon motion duly made and seconded, the Audit Committee then resolved to convene with MPS in Executive Session. Following Executive Session, the Audit Committee reconvened in open session. Mr. Page indicated that MPS had not raised any concerns about HYDC management and that the Audit Committee had not taken any actions in Executive Session.

Upon motion duly made and seconded, the following resolution was adopted:

RESOLVED, that the Hudson Yards Development Corporation Audit Committee recommends that the HYDC Board of Directors accept and authorize the issuance of HYDC's financial statements for Fiscal Year 2013, attached to the Resolution as Exhibit A, provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Fiscal Manager of HYDC.

Adjournment

Upon motion duly made and seconded, and there being no further business, the meeting was adjourned.