

**MINUTES OF MEETING OF THE AUDIT COMMITTEE OF THE
HUDSON YARDS DEVELOPMENT CORPORATION
October 23, 2006**

A meeting of the Audit Committee of the Hudson Yards Development Corporation (the "Corporation") was held on October 23, 2006 at 3:00 in the 6th floor Conference Room at the New York City Office of Management and Budget at 75 Park Place, New York, New York.

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

Directors:

Mark Page, Director, New York City Office of Management and Budget

Alternate Directors:

Caswell Holloway, Deputy Mayor for Administration for the City of New York

James Caras, New York City Council

Seth Pinsky, New York City Economic Development Corporation

Rita Sallis, Office of the Comptroller for the City of New York

Appointment of Chair

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

RESOLVED, that the Director of Management and Budget of the City of New York shall be the Chair of the Audit Committee of the Hudson Yards Development Corporation.

Financial Statement for FY 2006

Dena Linn Chen, HYDC's Vice President for Operations, presented the consolidated financial statement of HYDC and the Hudson Yards Infrastructure Corporation ("HYIC") for fiscal year 2006 as audited by Deloitte & Touche.

Michele Mark Levine, HYIC's Assistant Controller, indicated that the consolidated financial statement would be revised to reflect an additional \$378,400 of accrued expenses, with a corresponding increase in Total Liabilities and decrease in Net Assets.

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

RESOLVED, that the Audit Committee accepts the Consolidated Financial Statement of the Hudson Yards Group for Fiscal Year 2006 as presented at the October 23, 2006 meeting of the Audit Committee

Adjournment

There being no further business, the meeting was adjourned.