

**MINUTES OF MEETING OF THE AUDIT COMMITTEE OF THE  
HUDSON YARDS DEVELOPMENT CORPORATION  
September 23, 2011**

A meeting of the Audit Committee members of the Hudson Yards Development Corporation (the "Corporation") was held on September 23, 2011 at 2pm in the 7<sup>th</sup> floor Conference Room at the New York City Office of Management and Budget at 75 Park Place, New York, New York.

Four Directors or Alternate Directors were present, constituting a quorum.

Directors:

Mark Page, New York City Office of Management and Budget

Alternate Directors:

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

Kyle Kimball, New York City Economic Development Corporation

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

Minutes of April 11, 2011 Audit Committee Meeting

Upon motion duly made and seconded, the minutes for the April 11, 2011 meeting of the Audit Committee were approved.

HYDC Financial Statements for Fiscal Year 2011

HYDC's audited financial statements for fiscal year 2011 were presented by Dena Linn Chen, HYDC's Controller and Vice President for Operations, and by Warren Ruppel of Marks Paneth & Shron LLP ("MPS"). Mr. Ruppel explained that the HYDC's financial statements for fiscal year 2011 had been prepared in accordance with GASB Statement No. 54, which first became effective for HYDC for fiscal year 2011, and that HYDC had also restated its financial statements for fiscal year 2010 to implement GASB 54. Mr. Ruppel also discussed the management and representation letters for fiscal year 2011.

Following such presentation, upon motion duly made and seconded, the Audit Committee held an executive session. After the conclusion of such executive session, the Audit Committee resumed its regular meeting and adopted the following resolution:

***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 FY 2011 attached to the Resolution as Exhibit 1, provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Controller of HYDC.

Adjourn

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