

**MINUTES OF MEETING OF THE AUDIT COMMITTEE OF THE  
HUDSON YARDS DEVELOPMENT CORPORATION  
September 21, 2010**

A meeting of the Audit Committee members of the Hudson Yards Development Corporation (the "Corporation") was held on September 21, 2010, at 3:00 p.m. 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.

One Director and four Alternate Directors were present, constituting a quorum.

Directors:

Mark Page, New York City Office of Management and Budget

Alternate Directors:

Kyle Kimball, New York City Economic Development Corporation

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

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

Raymond Majewski, New York City Council

Minutes of June 10, 2010 Audit Committee Meeting

Upon motion duly made and seconded, the minutes for the June 10, 2010 meeting of the Audit Committee were approved.

HYDC Financial Statements for Fiscal Year 2010

HYDC's audited financial statements for fiscal year 2010 were presented by Dena Linn Chen, HYDC's Controller and Vice President for Operations, and by Glenn Friedrich of Deloitte & Touche. Mr. Friedrich reported that there had been one material misstatement in HYDC's draft financial statements for fiscal year 2010, a classification error in HYDC's balance sheet, but that such error had been corrected by HYDC prior to the issuance of its financial statements.

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 Audit Committee of the Hudson Yards Development Corporation recommends that the Board of Directors accept and authorize the issuance of HYDC's financial statements for FY 2010, 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.

Internal Controls Policy and Procedure Manual.

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

***RESOLVED***, that the Audit Committee of the Hudson Yards Development Corporation recommends that Board of Directors adopt the Internal Controls Policy and Procedure Manual attached [to this item] as Exhibit 1.

Adjournment

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