

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE
OF THE HUDSON YARDS INFRASTRUCTURE
CORPORATION**

May 11, 2020

A meeting of the Audit Committee (the “Committee”) of Hudson Yards Infrastructure Corporation (the “Corporation”) was held on May 11, 2020 at approximately 4:07 p.m. conducted via online meeting and telephone.

The following members of the Committee or their alternates were present:

Melanie Hartzog, Director of Management and Budget of The City of New York (the “City”), represented by Jay Olson;

Scott M. Stringer, Comptroller of the City, represented by Marjorie Henning;

Vicki Been, Deputy Mayor for Housing and Economic Development, represented by Pedram Mahdavi;

constituting a quorum of the Board. Rita Pasarell 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 of New York.

The meeting was called to order by Mr. Olson, Chairperson of the Committee.

Approval of Minutes of Meeting of September 24, 2019

The first item on the agenda was approval of the minutes of the meeting of September 24, 2019. There was no discussion, and upon unanimous vote, the resolution was duly adopted.

WHEREAS, the Audit Committee of the Hudson Yards Infrastructure Corporation has reviewed the minutes of the Audit Committee meeting held on September 24, 2019; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of September 24, 2019 be, and they hereby are, approved.

Recommendation to the Board of Directors: Approval of Independent Auditors Contract

The second item on the agenda was the recommendation to the Corporation's Board of Directors to enter into a contract with Marks Paneth LLP ("Marks Paneth") to serve as independent auditor. Mr. Olson explained that following a competitive request for proposals process, the Corporation's staff recommended the retention of Marks Paneth to serve as independent auditor to the Corporation for the Fiscal Years ended June 30, 2020, 2021, 2022, and 2023, with an optional one-year extension at the Corporation's discretion for Fiscal Year 2024. Marks Paneth was selected on the basis of the quality of their proposal, the competitive nature of their fees and the excellent service they have provided to other City-related Issuers. The proposed resolution lists the fees and rates of the proposed contract. The Corporation's Comptroller, Robert Balducci, was present to answer any questions.

There was no discussion and upon unanimous vote, the resolution was 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 as independent auditors for the Corporation's financial statements for the fiscal years ending June 30, 2020, 2021, 2022 and 2023 with a 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, 2024, 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:

Audit (by Fiscal Year)

2020	2021	2022	2023	2024
\$21,000	\$21,500	\$22,000	\$22,500	\$23,000

Special Projects (per hour)

Position	FY 2020	FY 2021	FY 2022	FY 2023	FY2024
Partner	\$320	\$330	\$340	\$350	\$360
Manager	\$225	\$230	\$235	\$240	\$245
Senior	\$160	\$165	\$170	\$175	\$180
Staff	\$115	\$120	\$125	\$130	\$135

Annual Self-Evaluation and Review of Report of Audit Committee

The third item on the agenda was the Annual Self-Evaluation and review of the Annual Report of the Committee. Mr. Olson noted that pursuant to Section III(k) of the Audit Committee Charter, the Committee is required to conduct an annual self-evaluation. The Annual Report, which describes the Committee’s activities during calendar year 2019, was contained in the packet provided to the Committee members. Mr. Olson indicated that based on the Committee’s accomplishments in the previous calendar year, he believes that the Committee has performed its duties in a satisfactory manner. The resolution expresses this view and approves the presentation of the Annual Report to the Board of Directors. There being no discussion, upon unanimous vote, the resolution was approved.

WHEREAS, Section III(k) of the Audit Committee Charter and Section 5.3 of Directive 22 of the City of New York Office of the Comptroller require the Audit Committee to issue an annual report to be prepared no later than October 30 of each year, which details the activities and decisions of the Committee for the prior calendar year; and

WHEREAS, the Audit Committee has reviewed the Annual Report of the Audit Committee, as attached hereto and finds it to be reasonable; and

WHEREAS, Section III(j) of the Audit Committee Charter requires the Audit Committee to conduct an annual self-evaluation of its performance, including its effectiveness and compliance

with the Audit Committee Charter; and

WHEREAS, the Audit Committee finds its performance to be satisfactory, effective, and in compliance with the Audit Committee Charter; it is therefore

RESOLVED, that the Annual Report of the Audit Committee is hereby approved and shall be presented to the Board of Directors of the Hudson Yards Infrastructure Corporation, copies of which shall be filed with the minutes of the Audit Committee and submitted to the Bureau of Accountancy of the Office of the Comptroller.

Review of Annual Agency Financial Integrity Compliance Statement

The fourth item on the agenda was the review of the Corporation's Annual Agency Financial Integrity Compliance Statement, a copy of which was in the materials provided to the Committee members. This was a review item only and no vote was taken. Mr. Olson explained that pursuant to Section 6.0 of the Directive 22 of the Comptroller of the City, the Committee must review the Corporation's annual Financial Integrity Compliance Statement. Mr. Olson stated that Mr. Balducci was available to explain the Financial Integrity Compliance Statement.

Review of Internal Controls

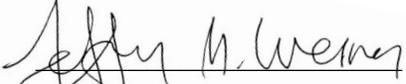
The fifth item on the agenda was the annual review of the Internal Controls of the Corporation. This was a review item only and no vote was taken. Mr. Olson explained that pursuant to the Audit Committee Charter, section III(h), the Committee must annually review the Internal Controls policy. Mr. Olson noted proposed changes to the manual to update practices in place and add missing defined terms. A blackline of the proposed changes was included in the Committee materials.

Presentation of Audit Plan by Independent Auditors and Discussion of New Accounting and Auditing Standards

The sixth and final item on the agenda was the presentation of the Annual Pre-Audit Presentation (for the Fiscal Year ending June 30, 2020) (the “Audit Plan”) by Marks Paneth, the independent auditors of the Corporation, with respect to the annual financial statements of the Corporation. Mr. Balducci introduced Warren Ruppel, partner at Marks Paneth. Mr. Ruppel explained and discussed the Audit Plan, which had been distributed to the Committee members. Mr. Ruppel provided an overview of the Plan, and discussed internal control procedures. A brief discussion ensued.

Adjournment

There being no further business to come before the Committee, upon unanimous vote, the meeting was duly adjourned.


ASSISTANT SECRETARY