

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

September 27, 2011

A meeting of the Audit Committee (the “Committee”) of Hudson Yards Infrastructure Corporation (the “Corporation”) was held on September 27, 2011 at approximately 4:35 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present in person:

Mark Page, Director of Management and Budget of The City of New York (the “City”); and

the following directors were represented by their alternates:

John C. Liu, Comptroller of the City, represented by Carol Kostik;

Christine C. Quinn, Speaker of the City Council, represented by Raymond Majewski;

Robert K. Steel, Deputy Mayor for Economic Development of the City, represented by Andrew Winters; and

Caswell F. Holloway, Deputy Mayor for Operations of the City, represented by Brian Geller;

constituting a quorum of the Committee. Kathy Blyn 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 and the State of New York.

The meeting was called to order by Andrew Winters, Chairperson of the Committee.

Approval of Minutes of Meeting of April 27, 2011

The second item on the agenda was approval of the minutes of the meeting of April 27, 2011. A motion was made to approve the resolution set forth below approving such minutes. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, the Audit Committee of the Hudson Yards Infrastructure Corporation has reviewed the minutes of the Audit Committee meeting held on April 27, 2011; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of April 27, 2011 be, and they hereby are, approved.

Presentation by Management and Independent Auditors Regarding the Audited Annual Financial Statement of the Corporation

The second item on the agenda was the presentation by the Corporation's management and independent auditors, Marks Paneth & Shron ("Marks Paneth") with respect to the annual financial statements of the Corporation. Such financial statements as well as the report of the independent auditors were in the package provided to the Committee members. Robert Balducci, the Deputy Comptroller of the Corporation, reviewed and explained the financial statements. A brief discussion ensued. Warren Ruppel of Marks Paneth then discussed the Annual Audit Presentation of Marks Paneth with respect to the Corporation's annual financial statements and answered questions presented by Committee members.

Meeting Goes Into Executive Session

The third item on the agenda was a meeting between Marks Paneth and the Committee in executive session. Prior to the commencement of the executive session, Mr. Winters informed

the Committee that the Government Finance Officers Association and the American Institute of Certified Public Accountants strongly recommend that independent auditors meet privately with an entity in executive session. He explained that executive session would allow the auditors to meet privately with Committee members to express any concerns about the Corporation's management and allow Committee members to ask questions about and/or express any concerns they may have. He stated that if any material areas of concern appropriate for public meetings were raised in executive session, the Committee would bring them to the attention of the full Board in order that they may be addressed appropriately in accordance with laws and procedures governing the Corporation

The public meeting of the Committee resumed and Mr. Winters informed the meeting that no material issues had arisen during the executive session.

Recommendation to Board of Directors to Accept the Independent Auditors' Report on the Audited Financial Statements of the Corporation for the Fiscal Years Ended June 30, 2011 and June 30, 2010, and to Issue such Financial Statements

The fourth final item on the agenda was the recommendation of the Committee to the Board of Directors to accept the independent auditors' report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2011 and June 30, 2010, and to issue such financial statements. A motion was made to adopt the resolution set forth below with respect to the financial statements. The motion was seconded and, there being no objections, approved.

WHEREAS, the Audit Committee of the Hudson Yards Infrastructure Corporation (the "Corporation") has met with the independent auditors of the Corporation and has reviewed the independent auditors' report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2011 and June 30, 2010 and such financial statements, as submitted to the Committee; and

WHEREAS, the Audit Committee believes the independent auditors' report and the financial statements are reasonable and appropriate; it is therefore

RESOLVED, that the Audit Committee recommends to the Board the acceptance of the independent auditors' report and the authorization of the release of the audited financial statements of the Corporation for the fiscal years ended June 30, 2011 and June 30, 2010; provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Comptroller of the Corporation.

Distribution of Net Asset and Fund Balance Policy

The fifth item on the agenda was the distribution of the Corporation's Policy on the Accounting for and Reporting of Constraints on Net Assets and Fund Balances, a copy of which was in the materials provided to the Committee.

Annual Review and Approval of the Audit Committee Charter and Charter Schedule

The sixth and final item on the agenda was the annual review and approval of the Audit Committee Charter and Charter Schedule, copies of which were in the materials provided to the Committee. Mr. Winters explained that there were no changes from last year. Ms. Kostik asked Mr. Ruppel if he was comfortable with the schedule and he replied that he was. A motion was made to approve the resolution set forth below with respect to the Committee Charter and Charter Schedule. The motion was seconded and, there being no objections, approved.

WHEREAS, the Board of Directors (the "Board") of the Hudson Yards Infrastructure Corporation (the "Corporation") originally adopted an Audit Committee Charter on October 4, 2007 and has subsequently amended it; and

WHEREAS, pursuant to the Audit Committee Charter, section III(s), the Audit Committee of the Corporation is required annually to review the Audit Committee Charter, reassess its adequacy, and recommend any proposed changes to the Governance Committee of the Corporation; and

WHEREAS, pursuant to the Audit Committee Charter, section III(u), the Audit Committee of the Corporation is required to develop a schedule of dates by which the requirements of the Charter shall be carried out; and

WHEREAS, the Audit Committee has reviewed the Audit Committee Charter, as attached hereto, and the Audit Committee Schedule, as attached hereto, and finds them to be reasonable and appropriate; it is hereby

RESOLVED, that the Audit Committee hereby approves the Audit Committee Charter as adopted and subsequently amended, and further, approves the Audit Committee Schedule as attached.

Adjournment

There being no further business to come before the Committee, upon motion duly made and seconded, there being no objections, the meeting was duly adjourned.


ASSISTANT SECRETARY