

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE HUDSON YARDS INFRASTRUCTURE CORPORATION**

April 27, 2016

A meeting of the Board of Directors (the “Board”) of the Hudson Yards Infrastructure Corporation (the “Corporation”) was held on April 27, 2016 at approximately 10:25 a.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following Directors were represented by their alternates:

Dean Fuleihan, Director of Management and Budget of The City of New York (the “City”), represented by Alan Anders;

Scott M. Stringer, Comptroller of the City, represented by Carol Kostik;

Melissa Mark-Viverito, Speaker of the City Council, represented by Raymond Majewski; and

Alicia Glenn, First Deputy Mayor for Economic Development of the City, represented by Peter Wertheim;

constituting a quorum of the Board. Charlotte T. Borroughs 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.

The meeting was called to order by Mr. Anders.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Directors which occurred on September 24, 2015. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved:

**WHEREAS**, the Board of Directors of the Hudson Yards Infrastructure Corporation (the “Corporation”) has reviewed the minutes of the previous meeting of the Board of Directors held on September 24, 2015; is therefore

**RESOLVED**, that the minutes of the Board of Directors meeting September 24, 2015 are hereby approved.

Approval of Budget

The second item on the agenda was approval of the Corporation’s budget. A motion was made and seconded to enter into discussion of the proposed resolution. Mr. Anders explained that pursuant to the Section 2801(2) of the Public Authorities Law, the Corporation must submit a budget report to various officials. He briefly described such report, which is included in the packets, and stated that the budget contains estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year. Additionally, Ms. Kostik discussed the call on redemption bonds, which would be the first in the Corporation history. A brief discussion ensued. There being no further discussion and no objections, the resolution was approved.

**WHEREAS**, the Hudson Yards Infrastructure Corporation (the “Corporation”), pursuant to Section 2801(2) of the Public Authorities Law (the “PAL”), is required to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at least sixty days before the commencement of its fiscal year, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year; and

**WHEREAS**, the Corporation is also required, pursuant to the PAL, Section 2800(2)(a)(14) to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at a minimum a four-year financial plan, including (i) a current and projected capital budget, and (ii) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance;

**WHEREAS**, the Board of Directors of the Corporation has reviewed the budget information and financial plan attached hereto and found it to be satisfactory; it is therefore

**RESOLVED**, that the Board of Directors of the Corporation approves the budget information and financial plan as attached hereto.

Approval of Directors' and Officers' Insurance Contracts

The third item on the agenda was the procurement of Directors' and Officers' Liability Insurance policies. A motion was made and seconded to enter into discussion of the proposed resolution. Mr. Anders explained that the resolution under discussion would approve the procurement through a broker, Wells Fargo Insurance Services, USA, Inc., of such insurance from a group of insurance companies and that the broker is currently soliciting bids. He noted that the insurance contract will be for the period between May 25, 2016 through May 24, 2017, with the annual premium plus the broker's fee not to exceed \$235,000. He also noted that the authorizing rate of \$235,000 includes a cushion. There being no discussion and objections, the resolution was approved.

**WHEREAS**, despite their diligence and good faith, directors and officers of the Hudson Yards Infrastructure Corporation (the "Corporation") may be subject to potentially large personal financial liability in connection with the Federal securities laws or otherwise arising from their service to the Corporation; and

**WHEREAS**, Article VI of the Bylaws of the Corporation provides that the Corporation shall indemnify each member, director and officer, to the fullest extent permitted by law; and

**WHEREAS**, Directors' and Officers' Liability Insurance is a prudent supplement to such indemnification; it is therefore

**RESOLVED**, that the Corporation hereby approves the procurement of Directors' and Officers' Liability Insurance policies through Wells Fargo Insurance Services, USA, Inc. from

Allied World Assurance Company, Inc. (“AWAC”), Zurich American Insurance Company (“Zurich”), Liberty Mutual Insurance Company (“Liberty Mutual”) and Arch Insurance Group, Inc. (“Arch” and together with AWAC, Zurich, and Liberty Mutual, the “Insurers”), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2016 through May 24, 2017; provided that the annual premium payable by the Corporation to the Insurers, plus the brokers fee, will not exceed \$235,000, and said policies shall contain such other terms and conditions not inconsistent with the foregoing which the President or such other officer of the Corporation shall deem necessary, desirable or appropriate and that the President shall be authorized to procure such insurance coverage.

Approval of Extension of Eastern Rail Yard Transferrable Development Rights Disposition and Pricing Mechanism Policy

The fourth item on the agenda was the review and approval of the Corporation’s Eastern Rail Yard Transferrable Development Rights Disposition and Pricing Mechanism Policy (the “Policy”). A motion was made and seconded to enter into discussion of the proposed resolution. Mr. Anders informed the Directors that the Corporation has proposed the extension of the Policy to July 31, 2017. Ms. Kostik noted that the Corporation appreciated Landauer’s work and therefore, would like Landauer to do the same work for the Corporation next year. A brief discussion ensued. There being no further discussion and no objections, the resolution was approved.

**WHEREAS**, on January 16, 2009, the Board of Directors (the “Board”) of the Hudson Yards Infrastructure Corporation (the “Corporation”) approved an Eastern Rail Yard (“ERY”) Transferrable Development Rights (“TDRs”) Disposition and Pricing Mechanism Policy (the “Policy”), which was based on a pricing study commissioned by Hudson Yards Development Corporation (“HYDC”) and subsequently approved an amended Policy on April 9, 2013, November 25, 2014; and

**WHEREAS**, the Board extended the effective date of the Policy through July 31, 2016; and

**WHEREAS**, HYDC has furnished updates to the pricing study that support the current pricing; and

**WHEREAS**, the Board believes that it is in the best interests of the Corporation to extend the Policy to July 31, 2017 and to determine if the Policy should be amended at that time; it is therefore

**RESOLVED**, that the Policy, as attached, is hereby approved and shall remain effective through July 31, 2017, and the Officers of the Corporation are hereby authorized and directed to execute documents in connection with the sale of TDRs provided that the pricing of each such sale complies with the Policy; and

**FURTHER RESOLVED**, that, prior to July 31, 2017, the Board shall determine whether the Policy should be amended.

Approval of Mission Statement Performance Measurements and Authorization to Publish Measurement Report

The fifth item on the agenda was the review and approval of the Corporation's Mission Statement and Performance Measurements. A motion was made and seconded to enter into discussion of the proposed resolution. Mr. Anders informed the Directors that no changes were proposed to the report. Additionally, the Measurement Report, which evaluates the Corporation Performance Measures, has been completed. There being no discussion and no objections, the resolution was approved.

**WHEREAS**, pursuant to Section 2800 of the Public Authorities Law (the "PAL"), the Board of Directors (the "Board") of the Hudson Yards Infrastructure Corporation (the "Corporation") previously adopted a Mission Statement on October 4, 2007 and amended it on March 2, 2011 to add Performance Measures by which the Corporation could evaluate whether its policies and performance meet the stated goals of its Mission Statement, and subsequently amended the Mission statement and Performance measures on April 2, 2013 and May 13, 2014; and

**WHEREAS**, the Corporation is required to annually review the Mission Statement and Performance Measures and to publish a Measurement Report which utilize the Performance Measures to evaluate whether the Corporation's policies and performance meets the stated mission of the Corporation; and

**WHEREAS**, the Board has reviewed the Mission Statement and Performance Measures, and the completed Measurement Report, and has found them to be reasonable and accurate; it is hereby

**RESOLVED** that Board accepts the Mission Statement and Performance Measures as attached hereto and authorizes the completed Measurement Report to be published on the Corporation's website and submitted to the Authorities Budget Office.

Annual Approval of Policy on the Acquisition and Disposition of Real Property

The sixth item on the agenda was the proposed annual approval of the Corporation's policy on the Acquisition and Disposition of Real Property. A motion was made and seconded to enter into discussion of the proposed resolution. Mr. Anders explained that pursuant to Section 2896 of the Public Authorities Law this policy must be reviewed annually. He noted that there are no proposed changes to the policy and that the Governance Committee of the Corporation has recommended approval. There being no discussion and no objection, the resolution was approved.

**WHEREAS**, the Hudson Yards Infrastructure Corporation (the "Corporation"), on October 12, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Acquisition and Disposition of Real Property; and

**WHEREAS**, pursuant to Section 2896 of the Public Authorities Law, the Corporation is required annually to review such policies; and

**WHEREAS**, the Corporation has reviewed the attached policy and has deemed it to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Policy on the Acquisition and Disposition of Real Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Annual Approval of Policy on the Disposition of Personal Property

The seventh item on the agenda was the proposed approval of the Policy on the Disposition of Personal Property. A motion was made and seconded to enter into discussion of the proposed resolution. Mr. Anders explained that the Corporation is required to annually review the policy pursuant to Section 2896 of the Public Authorities Law. He noted that no changes were

made and that the Governance Committee of the Corporation has recommended approval. There being no discussion and no objections, the resolution was approved.

**WHEREAS**, the Hudson Yards Infrastructure Corporation (the “Corporation”), on October 12, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the “Public Authorities Law”), adopted a Policy on the Disposition of Personal Property; and

**WHEREAS**, pursuant to Section 2896 of the Public Authorities Law, the Corporation is required annually to review such policy; and

**WHEREAS**, the Corporation has reviewed the attached policy and has deemed it to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Policy on the Disposition of Personal Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved

Report of Audit Committee Chair Regarding Audit Committee’s Annual Report and Self-Evaluation

The eighth item on the agenda was a presentation by the Audit Committee Chair with respect to the self-evaluation and Annual Report of the Audit Committee, a copy of which was provided to the Directors at the meeting of the Audit Committee. Mr. Anders, the Chairperson of the Committee, noted that the Committee has expressed its satisfaction with its functioning as set forth in such material.

Report of the President of the Corporation

The ninth and final item on the agenda was a report by Alan Anders, the President of the Corporation. Mr. Anders provided a brief overview of the activities of the Corporation. He discussed the Corporation’s Quarterly Receipts and Disbursements Report, a copy of which was provided to the Directors. A brief discussion ensued.

Adjournment

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

  
ASSISTANT SECRETARY