

MINUTES OF THE MEETING
OF THE AUDIT COMMITTEE
OF
NEW YORK CITY LAND DEVELOPMENT CORPORATION
April 30, 2013

A meeting of the Audit Committee of the Board of Directors of New York City Land Development Corporation ("LDC") was held on Tuesday, April 30, 2013, at 260 Broadway, New York, New York.

The following members of the Audit Committee were present:

Robert Goldrich
Jeffrey Mandel
Betty Woo

Also present were officers of LDC, two other Directors of LDC, William Heinzen and Kim Vaccari, and Randy Nelson and Amy Wong from Ernst & Young LLP ("E&Y").

The meeting was called to order at 2:00 p.m. Mark Silversmith, Secretary of LDC, served as secretary of the meeting.

1. Approval of the Minutes of the May 24, 2012 Audit Committee Meeting

A motion was made to approve the minutes of the May 24, 2012 Audit Committee meeting as presented. The motion was seconded and unanimously approved.

Mr. Nelson and Ms. Wong left the meeting at this time.

2. Audit Services Contract

Bulent Celik, Assistant Treasurer of LDC, proposed that E&Y be retained on a sole source basis for \$17,500 to provide audit related services for fiscal year 2013, substantially as described in Exhibit A hereto. Pursuant to the Public Authorities Accountability Act as amended the Audit Committee is required to approve the selection of the auditor and the amount to be paid to the auditor.

In answer to a question from Mr. Goldrich, Mr. Celik stated that E&Y had done a good job for New York City Economic Development Corporation for several years. In answer to an additional question from Mr. Goldrich, Mr. Silversmith stated that counsel agreed that LDC could enter into a sole source audit contract with Board approval.

Following a discussion, a motion was made to adopt the proposed resolution set forth in Exhibit A hereto. Such motion was seconded and unanimously approved.

Mr. Nelson and Ms. Wong rejoined the meeting at this time.

3. Audit Plan Presentation and Amendment of Previous Authorization

Mr. Nelson outlined what the audit of LDC would entail. He explained that E&Y would look at both the period from LDC's creation through June 30, 2012 and the fiscal year from July 1, 2012 through June 30, 2013. In answer to a question from Mr. Goldrich, Mr. Celik stated that the financials would be reviewed by LDC officers and NYCEDC staff before being presented to the LDC Board. Mr. Nelson provided contact information for E&Y to the Directors. Its address is 5 Times Square, New York, NY 10036.

A motion was made that the approval of the selection of E&Y for \$17,500 for services under the audit contract earlier in the meeting be amended to provide that E&Y's contract also include services for the period from LDC's formation to June 30, 2012 in addition to fiscal year 2013 services. The motion was seconded and unanimously approved.

4. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Audit Committee was adjourned.

Mark Schwesmith
Secretary

Dated: May 8, 2013
New York, New York

Exhibit A

NEW YORK CITY LAND DEVELOPMENT CORPORATION

AUDIT SERVICES CONTRACT
Audit Committee Meeting
April 30, 2013

Project: A single-year agreement for audit related services (the "Audit Contract") with Ernst & Young LLP ("E&Y") for NYCLDC for fiscal year 2013

Consultant: E&Y

Agreement to be Approved: The Audit Contract for \$17,500

Proposed Resolution: To approve the selection of E&Y to undertake audit services for NYCLDC for the fiscal year ending June 30, 2013, for \$17,500

Background: The initial financial statements for the newly formed entity, NYCLDC, will have to be prepared and audited. The reporting period will be July 1, 2012 to June 30, 2013.

After completion of this initial fiscal year, it is anticipated that a new RFP for an audit services contract will be issued covering the four fiscal years ending June 30, 2014 through June 30, 2017. For fiscal year 2013, NYCLDC proposes to enter into the Audit Contract on a sole source basis because E&Y is familiar with the type of transactions NYCLDC is involved with because it has been NYCEDC's auditor for several years.