

**MINUTES OF SPECIAL MEETING OF THE AUDIT COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
March 26, 2026**

A special meeting of the Audit Committee (the “Committee”) of New York City Economic Development Corporation (the “Corporation” or “NYCEDC”) was held on Thursday, March 26, 2026, at the Corporation, One Liberty Plaza, Conference Room 14A (The Battery), New York, New York 10006.

The following members of the Committee were present in person at the above indicated meeting of the Committee (the “Meeting”), constituting a quorum:

- Eric Clement
- James McSpiritt
- Betty Woo

The following members of NYCEDC staff were present in person:

- Finance:
 - Spencer Hobson – EVP/Treasurer
 - Amy Chan – Controller
 - Leslie Escobar – Deputy Controller
- Internal Audit (“IA”):
 - Eric Katz – Senior Vice President
 - Jelicia Young – Senior Auditor
- Legal:
 - Mark Silversmith – Special Counsel
- MIS:
 - Mafamata Seck – Senior Technical Lead

The meeting was called to order at 9:34 a.m.

1. Approval of the Minutes of February 3, 2026 Audit Committee Meeting

Mr. Clement asked if there were any corrections or adjustments related to the minutes of the February 3, 2026 Committee meeting. There being no corrections or adjustments, Mr. Clement motioned to approve the minutes. Ms. Woo seconded the motion and the minutes were approved.

2. Approval of which entity should serve as NYCEDC’s external auditor, and as the external auditor for certain related entities, and the compensation to be paid to the auditor, to be submitted for approval by the NYCEDC Board of Directors

Ms. Chan noted that the Public Authorities Accountability Act requires both the selection of an independent CPA firm, and compensation, for the auditor of the Corporation's financial statements to be approved by the Audit Committee and the Board of Directors. She noted that the current audit contract with Ernst & Young LLP ("EY") will expire on July 1, 2026, and an RFP for a new audit contract was issued on January 9, 2026. NYCEDC staff have reviewed the proposals in response to the RFP and recommended the selection of EY.

Ms. Escobar started her presentation seeking the approval of the Audit Committee to accept the recommendation to select EY as the external auditor for NYCEDC and its component units, including the newly created HPPM LLC, for an amount not to exceed \$2,208,000. Ms. Escobar discussed the scope of work for the proposed engagement, which includes audits of NYCEDC's combined financial statements and a public purpose fund and audits of the schedule of investments for the fiscal years ending June 30, 2026 through 2029; preparation of tax-related forms 990 and CHAR500 to be filed with the New York State attorney general's office for the fiscal years ending June 30, 2026 through 2029; preparation of an annual report, as needed, for the fiscal years ending June 30, 2026 through 2029, utilizing agreed-upon procedures to support the completion of net national transit database forms that are submitted to the federal transit administration; a management letter, if required, for each of the fiscal years setting forth findings and recommendations; performance of other audit and tax-related services and preparation of other reports as needed.

Ms. Escobar further explained the services to be performed for HPPM LLC will include stand-alone audits of HPPM LLC's financial statements, if required, for the fiscal years ending June 30, 2026 through 2029, audits of schedules of expenditures of federal awards, if required, for the same fiscal years, audits of the schedule of investments for the same fiscal years, and a management letter, if required, for each fiscal year setting forth findings and recommendations.

Ms. Escobar provided an explanation of the selection process, noting a public RFP was performed where NYCEDC publicly advertised through the City Record and the RFP was also delivered to all accounting firms from the City Comptroller's pre-qualified CPA list. Eight firms responded to the RFP. Ms. Escobar then discussed the criteria in which the firms were evaluated. The two highest-scoring firms were interviewed, with EY scoring the highest in both the proposal and interview rounds. Ms. Escobar cited EY's extensive knowledge and expertise in state and local government audits, its institutional knowledge of NYCEDC and the value continuity will provide for the implementation of the new accounting pronouncement, GASB Statement No. 103. She also noted EY's commitment to continue its MWBE partnership with Mitchell & Titus as a subcontractor even though there was no MWBE requirement in the RFP.

In response to the question about the difference in the proposed cost compared to prior years, Ms. Chan stated that the amount represents approximately a 14% increase from the previous contract. She went on to explain that approximately \$550,000 of the \$2.2 million for EY would be

for the newly added HPPM LLC. In response to a follow-up question on whether the cost is dependent on an independent audit or whether it's part of the combined audit, Ms. Chan stated that it would be part of the combined audit but that unlike other entities that are rolled into NYCEDC's financial statements, separate audited financials are also required for HPPM LLC; however, this won't be needed until a drawdown of federal loan funds occurs or when pledged revenues start to come in after the loan agreement is executed.

There being no further questions, Mr. Clement moved to approve (a) the selection of EY as the external auditor for NYCEDC (and NYCEDC blended component units) and HPPM LLC and (b) the above indicated amount to be paid to EY under the Audit Contract, and to recommend that NYCEDC's Board of Directors approve NYCEDC and possibly HPPM LLC entering into one or more of the consulting contracts constituting the Audit Contract substantially as described in Exhibit A hereto. Mr. McSpiritt seconded and the item was approved.

3. Other Business

There was no other business.

4. Adjournment

There being no other business, Mr. Clement moved the motion to adjourn the meeting. Mr. McSpiritt seconded and the meeting was adjourned at 9:42 a.m.

EXHIBIT A

AUDITS, TAX DOCUMENTS AND REPORTS
Audit Committee Meeting
March 26, 2026

Project Description:	Performance of audits and preparation of reports and tax documents for New York City Economic Development Corporation (“NYCEDC”) and HPPM LLC (of which NYCEDC is the sole member and which was created in connection with a proposed federal loan for a portion of the cost of proposed improvements at the Hunts Point Produce Market)
Type of Contract:	One or more consulting contracts for Project services (collectively, the “Audit Contract”)
Amount to be Approved:	Up to \$2,208,000 to be paid by NYCEDC to compensate Ernst & Young LLP (“EY”) for the Audit Contract services
Type of Funds:	NYCEDC programmatic budget funds
Procurement Method:	Public RFP sent to all accounting firms on the City Comptroller’s pre-qualified certified public accountant list and publicly advertised in the City Record. NYCEDC staff evaluated the submitted proposals using principally the following criteria: the firm’s experience with audits of similar size and scope, the overall qualification, strength and experience of the audit team, the audit approach, the proposed fees, and the overall quality of the proposal.
Agreements to be Approved:	One or more contracts between NYCEDC and/or HPPM LLC and EY for Project services; the portion of the services with regard to HPPM LLC may be performed by EY under a separate contract between EY and HPPM LLC or included in a contract between NYCEDC and EY and possibly HPPM LLC for the other Project services described herein
Scope of Work:	EY will provide primarily the following services: • For fiscal years ending June 30, 2026 through 2029: audits of the combined financial statements of NYCEDC (including NYCEDC blended component units), a public purpose fund and schedules of investments; preparation of CHAR500 form to be filed with the New York State Attorney General’s Office

and supporting forms including on IRS form 990; preparation of management letters, if needed, detailing the auditor's control findings and recommendations;

- For the fiscal years ending June 30, 2026 through 2029: audits of the financial statements of HPPM LLC, schedules of expenditures of federal awards and schedules of investments, if required; preparation of management letters, if needed, detailing the auditor's control findings and recommendations;
- Preparation of an annual report, as needed, for the fiscal years ending June 30, 2026 through 2029, utilizing agreed upon procedures to support the completion of National Transit Database forms that are to be submitted to the Federal Transit Administration; and
- For the fiscal years ending June 30, 2026 through 2029, performance of other audit and tax related services and preparation of other reports, as needed.

Proposed Resolution: To approve (a) the selection of EY as the external auditor for NYCEDC (and NYCEDC blended component units) and HPPM LLC and (b) the above indicated amount to be paid to EY under the Audit Contract, and to recommend that NYCEDC's Board of Directors approve NYCEDC and possibly HPPM LLC entering into one or more of the consulting contracts constituting the Audit Contract substantially as described herein

Relevant Staff: Amy Chan, Senior Vice President and Controller
Leslie Escobar, Vice President and Deputy Controller
Karen Lapidus, Senior Counsel, Legal

Project Code: 11543