

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the "Act") will be held by Chemung County Industrial Development Agency (the "Agency") on the 20th day of June, 2014, at 9:00 o'clock a.m., local time, at The Horseheads Town Hall, 150 Wygant Road in the Town of Horseheads, Chemung County, New York in connection with the following matters:

WHEREAS, the Agency is presently undertaking a project (the "2012 Project") for CAF USA, INC. (the "Company"), involving a lease/leaseback and PILOT consisting consisting of the following: (A)(1) the acquisition of an interest in a parcel of land approximately 29.91 acres located at 300 East 18th Street in the Village of Elmira Heights, Chemung County, New York and 6.65 acres located at 3450 Oakwood Ave, Town of Horseheads, Chemung County, New York known as tax map parcels 69.17-5-2 and 69.13-2-14, respectively (collectively, the "Addition Land"), together with buildings situate on the Addition Land comprising approximately 436,609 square feet thereon (the "Addition Facility"), (2) the construction of an approximately 30,000 square foot addition thereto (3) the acquisition of an interest in approximately 26.2 acres of land containing an approximately 2.08 mile rail spur bounded roughly on the north by Upper Oakwood Avenue in the Town of Horseheads, on the east by Grand Central Avenue and on the south by East Woodlawn Ave. / Clemens Center Parkway in the City of Elmira, and located in the Village of Elmira Heights, Towns of Horseheads and Elmira, and the City of Elmira, Chemung County, New York (the "Rail Spur Land"), together with all rail and appurtenances located thereon (the "Rail Spur Facility"), (4) the rehabilitation of the Rail Spur, (5) the acquisition and installation of certain machinery and equipment (the "Equipment") therein and thereon, all of the foregoing to constitute a manufacturing facility (the Land, the Facilities and the Equipment being collectively referred to as the "2012 Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, CAF USA, INC. (the "Company"), is requesting that the Agency consider undertaking an expansion of the 2012 Project (the "2014 Project") consisting of the following: (A)(1) the construction of an approximately 12,600 square foot addition, wholly within the Town of Horseheads, to the 30,000 square foot addition constructed per the 2012 Project Facility (the "2014 Addition Facility"), (2) the construction of 1,450 feet of rail spur extensions, wholly within the Town of Horseheads (the "2014 Rail Spur Extension Facility") to the rail within the 2012 Project Facility, together with all rail and appurtenances to be constructed thereon (the "2014 Rail Spur Extension Facility"), and (3) the acquisition and installation of certain machinery and equipment (the "Equipment") therein and thereon, all of the foregoing to constitute a manufacturing facility (the Land, the Facilities and the Equipment being collectively referred to as the "2014 Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the amendment of the existing Lease (with an obligation to purchase) or sale of the 2014 Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

The Agency is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Agency with respect to the Project in the office of the County Clerk of Chemung County, New York or elsewhere, (2) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, (3) exemption from sales taxes relating to the acquisition, construction, renovation and installation of the Project Facility, and (4) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Agency therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed, reconstructed and installed by the Agency and will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make certain payments to the Agency.

The Agency will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: George Miner, Executive Director, Chemung County Industrial Development Agency, 400 East Church Street, Elmira, New York 14901; Telephone: (607) 733-6513.

Dated: June 9, 2014.

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY



George Miner, Executive Director