

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

Notice is hereby given by Chemung County Capital Resource Corporation (the "Issuer") that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and, as required by the Issuer's certificate of incorporation, Section 859-a of the General Municipal Law of the State of New York will be held by the Issuer on the 29th day of May, 2015 at 9:00 o'clock, a.m., local time, at 5th floor Legislative Chambers located at 203 Lake Street in the City of Elmira, Chemung County, New York, in connection with the following matters:

Arnot Ogden Medical Center, a New York not-for-profit corporation (the "Institution"), has submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Institution, said Project consisting of the following: (A) (1) refinancing, in whole, of the outstanding Civic Facility Revenue Bonds (Arnot Ogden Medical Center - Construction Project), Series 2004A in the original aggregate principal amount of \$20,000,000 (the "Prior 2004A Bonds") and the outstanding Civic Facility Revenue Bonds (Arnot Ogden Medical Center - Renovation Project), Series 2004B in the original aggregate principal amount of \$16,710,000 (the "Prior 2004B Bonds" and, collectively with the Prior 2004A Bonds, the "Prior Bonds") issued on or about March 10, 2004 by Chemung County Industrial Development Agency (the "Prior Issuer"), the proceeds of which Prior Bonds were used to finance and/or refinance various capital projects located at 600 Roe Avenue and 602 Ivy Street in the City of Elmira, Chemung County, New York (collectively, the "Prior Project Facility"), said Prior Project Facility being operated by the Institution as an acute care hospital facility, a wound care clinic, an outpatient physical therapy facility, a regional dialysis center and other directly and indirectly related uses; and (2) renovation and reconstruction of the energy infrastructure serving the buildings located on the Institution's campus located at 600 Roe Avenue and 602 Ivy Street in the City of Elmira, Chemung County, New York (the "Energy Improvements"), said Energy Improvements to include, among other things, the replacement of boilers and the replacement of the energy management system (the Energy Improvements and the Prior Project Facility being collectively referred to as the "Project Facility"); (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to not exceed \$40,000,000 (the "Obligations"); (C) the payment of all or a portion of the costs incidental to the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (D) the making of a loan (the "Loan") of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institution and agreed upon by the Issuer.

The Issuer is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Obligations, (C) to use the proceeds of the Obligations to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, and (D) 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 Issuer with respect to the Project in the office of the County Clerk of Chemung County, New York or elsewhere, and (2) exemption from deed transfer taxes on any real estate transfers with respect to the Project, if any.

If issuance of the Obligations is approved, interest on the Obligations will not be excludable from gross income for federal income tax purposes unless (A) pursuant to Section 147(f) of the Code and the

regulations of the United States Treasury Department thereunder (the "Treasury Regulations"), the issuance of the Obligations is approved by the County Executive of Chemung County, New York after the Issuer has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; and (B) pursuant to Section 145(a) of the Code, all property which is to be provided by the net proceeds of the Obligations is to be owned by a Section 501(c)(3) organization or a governmental unit and at least ninety-five percent (95%) of the net proceeds of the Obligations are used with respect to (1) governmental units and/or (2) the activities of Section 501(c)(3) organizations which do not constitute "unrelated trades or businesses" (as defined in Section 513(a) of the Code) with respect to such Section 501(c)(3) organizations.

If the Issuer determines to proceed with the Project and the issuance of the Obligations, (A) the proceeds of the Obligations will be loaned by the Issuer to the Institution pursuant to a loan agreement (the "Agreement") requiring that the Institution or its designee make payments equal to debt service on the Obligations and make certain other payments to the Issuer and (B) the Obligations will be a special obligation of the Issuer payable solely out of certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Obligations. THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR CHEMUNG COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR CHEMUNG COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Issuer has determined that the Project constitutes a "Type II action", as said quoted term is defined in the regulations issued pursuant to Article 8 of the Environmental Conservation Law (the "Regulations"), and accordingly that no environmental impact statement or any other determination or procedure is required under the Regulations regarding the potential environmental impact of the Project.

The Issuer will at said time and place hear all persons with views on the location and nature of the proposed Project, the financial assistance being contemplated by the Issuer in connection with the proposed Project or the proposed plan of financing the proposed Project by the issuance from time to time of the Obligations. A copy of the Application filed by the Institution with the Issuer 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 Issuer. A transcript or summary report of the hearing will be made available to the members of the board of directors of the Issuer and to the County Executive of Chemung County, New York. Approval of the issuance of the Obligations by Chemung County, New York, acting through its elected County Executive, is necessary in order for the interest on the Obligations to qualify for exemption from federal income taxation.

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

Dated: May 8, 2015.

CHEMUNG COUNTY CAPITAL RESOURCE
CORPORATION

BY: _____
George Miner, Chief Executive Officer