

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") and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by County of Chautauqua Industrial Development Agency (the "Issuer") on the 11th day of December, 2008 at 11:00 o'clock a.m., local time, in the Conference Room of the City of Dunkirk City Hall located at 342 Central Avenue in the City of Dunkirk, Chautauqua County, New York, in connection with the following matters:

ECR International, Inc., a New York business corporation (the "Company"), has requested that the Issuer consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of a leasehold interest in an approximately 10.6 acre parcel of land located at 85-87 Middle Road in the City of Dunkirk, Chautauqua County, New York (the "Land"), together with three (3) buildings containing in the aggregate approximately 177,681 square feet of space located thereon (collectively, the "Existing Facility"), (2) the renovation of a portion of the Existing Facility, (3) the construction to the Existing Facility of an approximately 21,800 square foot addition (the "Addition" and collectively with the Existing Facility, sometimes referred to as the "Facility") and (4) 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 Existing Facility, the Addition and the Equipment 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 be approximately \$2,500,000 and in any event not to exceed \$10,000,000 (the "Obligations"); (C) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales and use taxes, real property transfer taxes, transfer gains taxes, mortgage recording taxes and real estate taxes (collectively with the Obligations, the "Financial Assistance"); and (E) 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 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 Chautauqua 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 Issuer 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 Issuer with respect to the Project is not consistent with the Issuer's uniform tax exemption policy, the Issuer 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 execution and delivery of the Obligations is approved, (A) interest on the Obligations executed and delivered by the Issuer will be excluded from gross income for federal income tax purposes pursuant to Sections 141-150 of the Code, (B) the Project Facility will be acquired and installed by the Issuer and will be sold or leased by the Issuer to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Obligations and make certain other payments and (C) the Obligations executed and delivered by the Issuer 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 THE COUNTY OF CHAUTAUQUA, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE COUNTY OF CHAUTAUQUA, NEW YORK SHALL BE LIABLE THEREON.

The Issuer has not completed its review of the Project pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations", and collectively with the SEQR Act, "SEQRA"). The Issuer will complete its review under SEQRA at a subsequent meeting of the Issuer.

The Issuer will at said time and place hear all persons with views on either the location and nature of the proposed Project and the Financial Assistance being contemplated by the Issuer in connection with the proposed Project. A copy of the Application filed by the Company with the Issuer with respect to the Project is available for public inspection during normal business hours at the office of the Issuer. A transcript or summary report of the hearing will be made available to the County Executive of Chautauqua County, New York. Approval of the issuance of the Obligations by Chautauqua County, New York, acting through its elected County Executive, is necessary in order for the interest on the Obligations to qualify for exclusion from gross income for federal income tax purposes.

Additional information can be obtained from, and written comments may be addressed to: William J. Daly, Administrative Director/CEO, County of Chautauqua Industrial Development Agency, 200 Harrison Street, Jamestown, New York 14701; Telephone: (716) 661-8900.

Dated: November 6, 2008.

COUNTY OF CHAUTAUQUA
INDUSTRIAL DEVELOPMENT AGENCY

BY: 

William J. Daly, Administrative Director/CEO