

**PUBLIC HEARING  
CITY HALL CONFERENCE ROOM  
CITY OF DUNKIRK  
342 Central Avenue  
Dunkirk, NY 14048  
December 11, 2008  
11:00 a.m.**

**ECR International, Inc.**

**Attendance:**

**Kristine Morabito**

**County of Chautauqua Industrial Development Agency  
Project Manager**

**Richard Dixon**

**County of Chautauqua Industrial Development Agency  
Chief Financial Officer**

**PUBLIC HEARING PURSUANT TO  
SECTION 859-a OF  
THE GENERAL MUNICIPAL LAW  
AND  
SECTION 147(f) OF  
THE INTERNAL REVENUE CODE**

<b>Agency</b>	County of Chautauqua Industrial Development Agency (the “Agency”)
<b>Project Beneficiary:</b>	ECR International, Inc. (the “Company”)
<b>Project Location:</b>	85-87 Middle Road, City of Dunkirk, Chautauqua County, New York
<b>Hearing Date:</b>	December 11, 2008
<b>Hearing Time:</b>	11:00 a.m.
<b>Hearing Location:</b>	Conference Room of the City of Dunkirk City Hall located at 342 Central Avenue in the City of Dunkirk, Chautauqua County, New York

Good morning. My name is Kristine Morabito, and I am the Project Manager of the County of Chautauqua Industrial Development Agency (the “Agency”).

Today I am holding this Public Hearing to allow citizens to make a statement, for the record, relating to the sponsorship and involvement of the Agency with a project (the “Proposed Project”) for the benefit of ECR International, Inc., a New York business corporation, (the “Company”).

The Proposed Project consists 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 Agency 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 Agency.

For clarification purposes, I would like to state that the Obligations of the Agency for the Proposed Project will not be an obligation of the State of New York or any municipality thereof, including County of Chautauqua, New York (the “County”), the municipality for whose benefit the Agency was created. In addition, the Obligations of the Agency will not be a general obligation of either the Agency or the County. **This means that if the holders of the Obligations are not paid by the Company, the holders of the Obligations will not be able to come back against the Agency or the County. The Obligations are not an obligation of the County or the taxpayers of the County.**

I intend to provide general information on the Agency’s general authority and public purpose to provide assistance to this Proposed Project. I will then open the comment period to receive comments from all present who wish to comment on either the Proposed Project or the Financial Assistance contemplated by the Agency with respect to the Proposed Project.

### **Legal Authorization and Powers of the Agency**

The provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York as amended, and Chapter 71 of the 1972 Laws of the State of New York, as amended, codified as Section 895-h of said General Municipal Law (collectively, the “Act”), authorize the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of **manufacturing facilities**, among others.

### **Purpose of this Public Hearing**

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”), prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed “financial assistance” to be provided by the Agency with respect to the Proposed Project may exceed \$100,000, then prior to providing any “financial assistance” (as defined in the Act) of more than \$100,000 to the Proposed Project, the Agency must hold a public hearing on the nature and location of the Project Facility and the proposed “financial assistance” to be provided by the Agency with respect to the Proposed Project.

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), if any portion of the Obligations is intended to be issued as federally tax-exempt obligations (the interest on will be excludable from the gross income of the holders thereof for federal income tax purposes), then prior to issuing such portion of the Obligations, (A) the Agency must hold a public hearing on the nature and location of the Project Facility and the

issuance of the Obligations, and (B) thereafter the County Executive of County of Chautauqua , New York must approve the issuance of the Obligations.

After consideration of the Application received from the Company, the members of the Agency adopted a resolution on October 24, 2008 (the “Public Hearing Resolution”) authorizing, among other things, the Administrative Director/Chief Executive Officer of the Agency to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 147(f) of the Code and Section 859-a of the Act.

The Administrative Director/Chief Executive Officer of the Agency caused notice of this Public Hearing to be published on November 11, 2008 in The Observer, a newspaper of general circulation available to the residents of City of Dunkirk, Chautauqua County, New York. In addition, the Administrative Director/Chief Executive Officer of the Agency caused notice of this Public Hearing to be (A) mailed on November 6, 2008 to the chief executive officers of the County, and of each city, town, village and school district in which the Proposed Project is or is to be located and (B) posted on November 7, 2008 on a bulletin board located at City Hall located at 342 Central Avenue in the City of Dunkirk, Chautauqua County, New York.

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

The comments received today at this Public Hearing will be presented to the members of the Agency at or prior to the meeting at which the members of the Agency will consider whether to approve the undertaking of the Project by the Agency, the granting by the Agency of any “financial assistance” in excess of \$100,000 with respect to the Project, and the issuance of the Obligations by the Agency.

The comments received today at this Public Hearing will also be presented to the County Executive of County of Chautauqua, New York.

### **Written Comments**

The notice of this Public Hearing indicated that written comments could be addressed to: William J. Daly, the Administrative Director/Chief Executive Officer of the Agency. No written comments have been received by the Agency prior to this Public Hearing.

### **Open Public Hearing to the Floor for Comments**

I will now open this Public Hearing for public comment at 11:05 a.m.

By way of operating rules, if you wish to make a public comment, please raise your hand, and I will call on you. Please wait to be recognized, once recognized, please stand and state your name and address for the record.

When everyone has had the opportunity to speak, I will conclude this Public Hearing. As indicated above, a record of this Public Hearing will be prepared and reviewed by the members of the Agency in connection with the Agency's consideration of the Proposed Project. Also as indicated above, a copy of the record of this Public Hearing will also be presented to the County Executive of County of Chautauqua , New York.

Again, the purpose of this Public Hearing is to solicit public comment. We are not here to answer questions. However, we will in the course of this Public Hearing consider questions if we have the information to answer the questions and there is sufficient time to consider such questions.

I will now ask if there is anyone in attendance who wishes to comment on either on the nature and location of the Project Facility or the proposed Financial Assistance being contemplated by the Agency with respect to the Proposed Project, including but not limited to the issuance of the Obligations for the purpose of assisting in financing the Proposed Project. For the record, please state your name and indicate your comments on either the Proposed Project or the Financial Assistance contemplated by the Agency with respect to the Proposed Project.

Noone is in attendance at this time.

Since there have been no comments, I will now close this Public Hearing at 11:21 a.m.

Thank you all for attending.

Respectfully yours,

Kristine Morabito, Project Manager  
County of Chautauqua Industrial Development Agency