

NOTICE OF PUBLIC HEARING ON PROPOSED ISSUANCE OF BONDS

NOTICE IS HEREBY GIVEN that a public hearing will be held by the Tompkins County Development Corporation (the "Issuer") on October 17, 2014, at 1:00 p.m., local time, at the Cayuga Heights Village Hall, 836 Hanshaw Road, Ithaca, New York 14850, in connection with the following matter:

Kendal at Ithaca, Inc. (the "Institution"), a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), has submitted an application (the "Application") to the Issuer requesting that the Issuer issue its tax-exempt revenue bonds, in one or more series (collectively, the "Bonds"), in the aggregate principal amount not to exceed \$60,000,000 for the purposes of providing funds to the Institution for a certain project (the "Project"), consisting of: (A) the financing, refinancing, and/or reimbursing the costs of certain improvements located on the Institution's continuing care retirement community on an approximately 105-acre parcel located in the Village of Cayuga Heights, with a mailing address of 2230 North Triphammer Road, Ithaca New York 14850 (the "Land"), including (1) the acquisition, construction and equipping of an approximately 84,101 square foot addition to the existing facility to accommodate a two-story, 24 unit independent living apartment building with 32 covered parking spaces in the expanded parking lot known as the South Parking Lot and 38 covered spaces in the new parking lot to be known as Parking Lot 1, providing a total of 70 covered parking spaces, a 48 bed skilled nursing facility consisting of 3 households of 16 private units, a new centralized entrance and reception area (the "2014 Additions"); (2) the renovation of approximately 70,000 square feet of the existing facility to construct and equip a new dining café, new fitness and aerobics rooms, improved office space for the Licensed Home Care Services Agency, improved areas for visiting practitioners, relocated and improved administrative offices for health services, nursing, human resources, facility services, information technology offices, and a new data server room and related improvements and upgrades ("2014 Renovations" and together with the 2014 Additions, the "2014 Improvements"); and (3) the installation of certain items of equipment, machinery, furniture and other tangible personal property in and around the 2014 Improvements (the "2014 Equipment" and, together with the Land and the 2014 Improvements, the "Series 2014 Facility"); (B) the refinancing of the outstanding principal amount of the Tompkins County Industrial Development Agency's \$5,000,000 original principal amount Continuing Care Retirement Community Revenue Bonds (Kendal at Ithaca, Inc. Project), Series 2003B (the "Series 2003B Bonds"); (C) the refinancing of the outstanding principal amount of the Tompkins County Industrial Development Agency's \$8,250,000 Variable Rate Demand Continuing Care Retirement Community Revenue Bonds (Kendal at Ithaca, Inc. Project), Series 2000 (the "Series 2000 Bonds"); and (D) the paying of all or a portion of the costs incidental to the issuance of the Bonds, including capitalized interest and any reserve funds as may be necessary to secure the Bonds (the costs associated with items (A) through (D) above being hereinafter collectively referred to as the "Project Costs").

The Series 2003B Bonds were issued for the benefit of the Institution for the purpose of refunding in part the \$23,255,000 original principal amount Tompkins County Industrial Development Agency Life Care Community Bonds (Kendal at Ithaca, Inc. Project), Series 1994,

the proceeds of which were used to finance (i) the acquisition of the Land; (ii) the construction on the Land of a Life Care Community facility consisting of approximately 210 independent living units, 35 nursing care beds, 12 adult care units and related facilities; (iii) the acquisition and installation in and around such facility of certain items of equipment, machinery, furniture and other tangible personal property (items (i) through (iii) collectively, the "Original Facility"); and (iv) the payment of certain costs incidental to the issuance of the Series 1994 Bonds.

The Series 2000 Bonds were issued for the purpose of (i) the refunding of the outstanding portion of the Series 1994 Bonds; (ii) the acquisition, construction and equipping of an approximately 19,050 square foot addition to the Original Facility to accommodate 24 adult home beds and related facilities, including without limitation, dining facilities, a serving kitchen, and expansion of the Facility's activities area, utilities room, staff space, a personal laundry, a tub room and a public rest room; (iii) the refinancing of taxable indebtedness incurred by the Institution to finance in part the acquisition, construction, and equipping of the foregoing; (iv) the funding of a debt service reserve; and (v) the payment of certain costs incidental to the issuance of the Series 2000 Bonds.

The Institution will be the owner and operator of the facilities financed and refinanced with the Bonds. The Institution has requested that the Issuer issue the Bonds. If the issuance of the Bonds is approved, (i) it is intended that interest on such Bonds will be excluded from gross income for federal income tax purposes, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) the Issuer and the Institution shall enter into a loan or other financing agreement (the "Agreement"), which will require the Institution or its designee to make payments equal to debt service on the Bonds and make certain other payments, and (iii) the Bonds will be special limited obligations of the Issuer payable solely from the revenues derived from the payments made by the Institution pursuant to the Agreement and certain other related assets of the Institution pledged to the repayment of the Bonds.

THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING TOMPKINS COUNTY, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING TOMPKINS COUNTY, SHALL BE LIABLE THEREON.

The Issuer will at said time and place provide a reasonable opportunity to all interested persons to present their views, either orally or in writing, on the location and nature of the Project and the proposed plan of financing for the Project by the issuance from time to time of the Bonds.

This public hearing is being conducted in accordance with Section 147(f) of the Code.

DATED: September 30, 2014

By: TOMPKINS COUNTY DEVELOPMENT
CORPORATION