

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Chemung County Industrial Development Agency (the "Agency") on Tuesday, March 7, 2023, at 10:00 a.m., local time, at the Agency's offices at 400 East Church Street, Elmira, New York 14901, in connection with the following matter:

The Agency previously undertook a certain project (the "2011 Project") for the benefit of **1580 LAKE STREET, LLC** (the "Company") consisting of: (i) the acquisition of an interest in an approximately 13.00 acre parcel of land located at 1580 Lake Street in the City of Elmira, Chemung County (the "Land", being more particularly identified as tax parcel number 79.15-2-1.2) together with an existing approximately 142,000 square foot building located thereon (the "2011 Existing Improvements"), (ii) the renovation of the 2011 Existing Improvements (the "2011 Improvements") and (iii) the acquisition and installation therein and thereon of certain machinery and equipment (the "2011 Equipment"; and, together with the Land, the 2011 Existing Improvements and the 2011 Improvements, the "2011 Facility").

In furtherance of the 2011 Project, the Agency and the Company entered into: (i) a certain Lease to Agency, dated as of March 1, 2011 (the "2011 Lease Agreement"), (ii) a certain Lease Agreement, dated as of March 1, 2011 (the "2011 Leaseback Agreement"), (iii) a certain Payment-In-Lieu-of-Tax Agreement, dated as of March 1, 2011 (the "2011 PILOT Agreement"), and (iv) related documents (collectively, the "2011 Agency Documents"), whereby the Agency appointed the Company as agent to undertake the 2011 Project and provided the Company with certain forms of financial assistance (the "2011 Financial Assistance").

The Agency also previously undertook a certain project (the "2018 Project") for the benefit of the Company consisting of: (i) the reconstruction and renovation of less than 4,000 square feet of the 2011 Facility located on the Land to permit an expansion of the Company's manufacturing/assembling of electromagnetic clutches and brakes for aerospace, defense, medical and transportation industries (the "2018 Improvements") and (ii) the acquisition and installation therein and thereon of certain machinery and equipment (the "2018 Equipment"; and, together with the Land and the 2018 Improvements, the "2018 Facility"). The 2011 Facility and the 2018 Facility shall hereinafter be referred to collectively as the "Original Facility").

The Company and **SEPAC, INC.** (the "Operator") have submitted an application to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the retention by the Agency of a leasehold interest in the Original Facility; (ii) the planning, design, construction and reconstruction of improvements to the Original Facility to be owned by the Company and leased to the Operator for expanded motion control products manufacturing operations, along with related utility improvements (collectively, the "Improvements"); and (iii) the acquisition of and installation in and around the Land, the Original Facility and the Improvements by the Company and Operator of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment", and, collectively with the Land, the Original Facility and the Improvements, the "Facility").

The Agency will retain a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will lease the Facility to the Operator who will operate the Facility during the term of the lease. At the end of the lease term, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction, reconstruction and equipping of the Facility, (b) a partial real property tax abatement structured through the PILOT Agreement, and (c) a mortgage recording tax exemption as authorized by the laws of the State.

The proposed Financial Assistance deviates from the Agency's Uniform Tax Exemption Policy in that throughout the term of the proposed PILOT Agreement will exceed fifteen (15) years.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's project Application and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

Dated: February 25, 2023

CHEMUNG COUNTY INDUSTRIAL
DEVELOPMENT AGENCY