

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") will be held by Yates County Industrial Development Agency (the "Agency") on the 16th day of October, 2017 at 9:00 o'clock a.m., local time, at The Town of Milo offices located at 137 Main Street in the Village of Penn Yan, Town of Milo, Yates County, New York in connection with the following matters:

Rainbow Cove Resort, LLC (the "Applicant") has submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the The Hideaway on Seneca, LLC, a New York limited liability company to be formed by the Applicant (the "Company"), said Project consisting of the following: (A) (1) the acquisition of a parcel of land containing approximately 7.8 acres and located at 3482 Plum Point Road in the Town of Milo, Yates County, New York (the "Land"), together with the existing improvements located thereon containing in the aggregate approximately 22,000 square feet of space (the "Existing Facility"), (2) the renovation and reconstruction of the Existing Facility, (3) the construction of an addition to the Existing Facility to contain approximately 2,400 square feet of space (the "Addition"), (4) the construction of miscellaneous improvements on the Land, including yurts and bathhouses (collectively, the "Improvements") (the Existing Facility, the Addition and the Improvements being collectively referred to as the "Facility") and (5) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company as a resort and restaurant facility and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) 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.

The Agency is considering whether (A) to undertake the Project, and (B) 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 Agency with respect to the Project in the office of the County Clerk of Yates 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 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 Agency 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 Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency 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 Agency determines to proceed with the Project, the Project Facility will be acquired, constructed and installed by the Agency and will be leased (with an obligation to purchase) or sold by the

Agency to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make certain payments to the Agency.

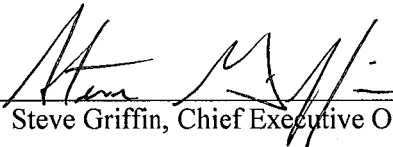
The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on either the location, nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency 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 Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Steve Griffin, Chief Executive Officer, Yates County Industrial Development Agency, One Keuka Business Park, Suite 104, Penn Yan, New York 14527; Telephone: (315) 536-7328.

Dated: September 28, 2017.

YATES COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY

BY:   
Steve Griffin, Chief Executive Officer