

**NOTICE OF PUBLIC HEARING
ON PROPOSED ISSUANCE OF BONDS**

NOTICE IS HEREBY GIVEN that a public will be held by the Tompkins County Development Corporation (the "Issuer") on the 18th day of March, 2013, at 11:00 a.m., local time, at the Ithaca Town Hall, 215 North Tioga Street, Ithaca, New York 14850, in connection with the following matter:

Cayuga Medical Center at Ithaca, Inc., a New York not-for-profit corporation (the "Hospital") and 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 (Cayuga Medical Center at Ithaca, Inc. Project), Series 2013, in one or more issues, in an aggregate principal amount not to exceed \$25,000,000 (the "Bonds"), for the purpose of financing (or reimbursing costs incurred in connection with) a certain project (the "Project"), consisting principally of: (A) the construction, reconstruction and installation of improvements to the Hospital's existing approximately 309,000 square-foot main hospital facility located at 101 Dates Drive, Ithaca, New York (the "Existing Facility"), such improvements consisting of: (i) an approximately 14,300 square-foot addition to accommodate an expansion of the Hospital's Surgical Center, and the reconstruction, renovation and redesign of an approximately 15,100 square-foot area within the existing Surgical Center, (ii) the construction of an approximately 21,918 square-foot addition to accommodate an expansion of the Hospital's Pathology and Laboratory Department, and the reconstruction, renovation and redesign of an approximately 1,558 square-foot area within the existing Pathology and Laboratory Department, (iii) the construction of an approximately 500 square-foot addition to accommodate an expansion of the Hospital's Obstetrics and Gynecology Department, and the reconstruction, renovation and redesign of an approximately 19,160 square-foot area within the space formerly occupied by the Pathology and Laboratory Department to accommodate the Obstetrics and Gynecology Department, (iv) the reconstruction, renovation and redesign of certain other existing areas and departments including, but not limited to, Endoscopy, Oncology, Pediatrics, Central Sterile Supply, Wound, Information Systems, Pain Management, Sleep Center, and Infusion (collectively, the "Improvements"); (B) the acquisition and installation in and around the Existing Facility, the Improvements and the Hospital's urgent care center located at 10 Arrowwood Drive, Ithaca, New York of certain medical equipment and other items of machinery, equipment and tangible personal property (the "Equipment", and collectively with Improvements, the "Facility"); and (C) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (C) above being hereinafter collectively referred to as the "Project Costs").

It is contemplated that the Issuer will issue the Bonds in a principal amount not to exceed \$25,000,000 for the purpose of undertaking the Project and may provide an exemption from all mortgage recording taxes with respect to any qualifying mortgage on the Facility to secure the Bonds. The Hospital is the initial owner and operator of the Facility.

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 Hospital

shall enter into a loan or other financing agreement (the "Agreement"), which will require the Hospital 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 obligations of the Issuer payable solely from payments made pursuant to and amounts held in funds and accounts established under the Agreement and certain other assets pledged to the repayment of the Bonds.

THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE TOMPKINS COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR TOMPKINS COUNTY, NEW YORK, 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 Facility, the proposed plan of financing for the Facility 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: March 2, 2013

By: TOMPKINS COUNTY DEVELOPMENT
CORPORATION