

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), will be held by the Monroe County Industrial Development Corporation (the "Issuer") on the 11th day of August, 2015, at 7:45 a.m. local time, at the office of M&T Bank, 255 East Avenue, 3rd Floor, Rochester, New York 14604, in connection with the following matter:

HIGHLAND HOSPITAL OF ROCHESTER, a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Code, its successors or designees (collectively, the "Institution") has requested that the Issuer finance and/or refinance, through the issuance of one or more series of its revenue bonds in an aggregate principal amount not to exceed \$48,000,000 (the "Bonds"), a certain project, as more particularly described below (the "Project"). All of the facilities financed and/or refinanced with the Bonds are or will be owned and/or operated by the Institution or HFDC (as hereinafter defined), and are or will be located at, around, or adjacent to the Institution's 208-bed acute care hospital facility at 1000 South Avenue in the City of Rochester, Monroe County, New York (the "Hospital") or its facility located at 1555 Long Pond Road, in the Town of Greece, New York.

The Project consists of: (A)(i)(1) the construction and equipping of an approximately 38,500 square foot two (2)-story (with mechanical penthouse) expansion of the southeast corner of the Hospital to house a perioperative suite with six (6) relocated operating rooms and an observation unit with twenty six (26) beds, together with ancillary and related facilities improvements, (2) the construction, renovation, equipping and modernization of various areas in the operating room/post-anesthesia care unit located in the Hospital, and (3) the construction and equipping of future space for a possible additional Interventional Radiology room and a platform for a possible replacement of the existing MRI machine in the Hospital (collectively, the "2015 Improvements") and (ii) the acquisition and installation in and around the 2015 Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the "2015 Equipment", and collectively with the 2015 Improvements, the "2015 Facility"); (B) the refunding of approximately \$11,010,000 of the outstanding principal amount of the \$20,000,000 original principal amount Fixed Rate Civic Facility Revenue Refunding Bonds (Highland Hospital of Rochester Project), Series 2005 (the "Series 2005 Refunding Bonds") issued by the County of Monroe Industrial Development Agency ("COMIDA") for the benefit of the Institution; (C) the refunding of approximately \$7,365,000 of the outstanding principal amount of the \$14,920,000 original principal amount Fixed Rate Civic Facility Revenue Project Bonds (Highland Hospital of Rochester Project), Series 2005 (the "Series 2005 New Money Bonds", and collectively with the Series 2005 Refunding Bonds, the "Series 2005 Bonds") issued by COMIDA for the benefit of the Institution; (D) the funding of a debt service reserve fund, if any, and paying capitalized interest, if any; and (E) the payment of certain costs and expenses incidental to the issuance of the Bonds and the defeasance and/or redemption of the Series 2005 Bonds (items (A) through (E) hereinafter referred to as the "Project Costs").

The proceeds of the Series 2005 Refunding Bonds were applied to pay the costs of a certain project (collectively, the "2005 Refunding Project") consisting of: (A) the refunding of a portion of the then outstanding principal balance of the Dormitory Authority of the State of New York's \$26,635,000

Highland Hospital of Rochester FHA-Insured Mortgage Hospital Revenue Bonds, Series 1997A (the "Series 1997A Bonds"), the proceeds of which were applied to pay the costs of a certain project (collectively, the "1997 Project") consisting of: (i) the acquisition, construction, expansion, renovation, and equipping of selected clinical and support areas of the Hospital, specifically the renovation of the maternity unit, expansion and development of a Women's Center, the expansion and renovation of existing space for use as a breast care center, expanded ultrasound imaging facilities, an osteoporosis screening program, a community OB/GYN service and community educational facilities, and the demolition of an existing parking garage and construction of a larger approximately 234,800 square foot, 682 space parking garage, including pedestrian connections to the Institution's other buildings and a bridge to a physician's office building and other improvements, and (ii) the refinancing of that portion of two commercial mortgage loans, the proceeds of which were used to construct portions of a 30,000 square foot, three story medical office building and an approximately 72,000 square foot, 230 space parking garage used exclusively by the Institution, its employees, patients and visitors, which is owned and operated by Highland Facilities Development Corporation ("HFDC"), a wholly controlled affiliate of the Institution and an organization described in Section 501(c)(3) of the Code, on property owned by the Institution and leased to HFDC pursuant to a ground lease (collectively, the "1997 Facility"); (B) the payment of certain costs and expenses incidental to the issuance of the Series 2005 Refunding Bonds; and (C) the funding of a debt service reserve fund for the Series 2005 Refunding Bonds.

The proceeds of the Series 2005 New Money Bonds were applied to pay the costs of a certain project (collectively, the "2005 New Money Project") consisting of: (A) the renovation and equipping of the Hospital and the construction, renovation and equipping of a total joint center of Orthopedics, Park Ridge Oncology, a Bariatric Surgery Center, two operating rooms for Orthopedics, one operating room for Bariatric Surgery and five inpatient suites located at 1555 Long Pond Road, Town of Greece, New York. (collectively, the "2005 Facility", and collectively with the 1997 Facility and the 2015 Facility, the "Facility"); (B) the payment of certain costs and expenses incidental to the issuance of the Series 2005 New Money Bonds; and (C) the funding of a debt service reserve fund for the Series 2005 New Money Bonds and the payment of capitalized interest.

It is intended that interest on the Bonds will not be included in gross income for federal income tax purposes pursuant to Section 103(a) of the Code. The Bonds will be special limited obligations of the Issuer payable solely from certain amounts payable by the Institution under a loan agreement or other financing agreement with the Institution and certain other assets of the Institution pledged for the repayment of the Bonds. **THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY OF MONROE, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY OF MONROE, SHALL BE LIABLE THEREON.**

Approval of the issuance of the Bonds by the applicable elected representative of the County of Monroe is necessary in order for the interest on the Bonds to be excluded from gross income for federal income tax purposes.

The Issuer will hold the public hearing on the proposed issuance of the Bonds, as required by Section 147(f) of the Code. The subject of the hearing will be the nature and location of the Project and the issuance of the Bonds by the Issuer to provide financing therefor. Interested persons are

invited to attend and will have an opportunity to make a statement regarding the Project and/or the financing therefor. In addition, at, or prior to, such hearing, interested parties may submit to the Issuer written materials pertaining to such matters.

Dated: July 28, 2015

MONROE COUNTY INDUSTRIAL
DEVELOPMENT CORPORATION