

TOWN OF CHAPEL HILL OFFICE OF THE TOWN ATTORNEY

Telephone: (919) 968-2746 Facsimile (919) 969-2063

December 1, 2004

Mr. William A. Anderson, III Kennon, Craver, Belo, Craig & McKee, PLLC Post Office Box 51579 Durham, North Carolina 27717-1579

RE: UNC Faculty-Staff Recreation Association

Dear Mr. Anderson:

Thank you for your letter of November 19, 2004, regarding the terms of the lease between the Faculty-Staff Recreation Association and the State of North Carolina.

As you know, the Faculty-Staff Recreation Association (the "Farm") has an application pending before the Chapel Hill Town Council for a Special Use Permit. The hearing on that application is scheduled to reconvene on December 6, 2004. That hearing is a quasi-judicial proceeding. The Council's procedure provides an opportunity for a representative of an applicant for a Special Use Permit, as part of the public hearing process, to testify, under oath, as to the applicant's position on any proposed condition being considered for a special use permit. If the Farm wishes to take a position in this proceeding in reliance on your legal opinion, thereby objecting to the proposed condition calling for the Farm to pay ad valorem property taxes, I would ask that a representative of the Farm follow this procedure on December 6.

Sincerely,

Ralph D. Karpinos

Ralph D. Karpinos

Town Attorney

RDK/tcp

CC:

Mayor and Council Town Manager