

Office of the County
Attorney

ORANGE COUNTY
P.O. BOX 8181
200 S. CAMERON STREET
HILLSBOROUGH, NC 27278



September 23, 2009

West 54 LLC
Dennis H. Howell, Manager
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514

Re: Potential Site of an Orange County Transfer Station

Dear Mr. Howell:

This letter is in response to your August 24, 2009 letter to Gayle Wilson, Director of the Solid Waste Division of Orange County Government in which you indicate that you would like to receive a written commitment from Orange County regarding the purchase of approximately 142.7 acres of property located on West Highway 54 in Orange County.

Orange County has an interest in discussing the terms and price of a 150+ acre site located on West Highway 54 in Orange County owned by West 54 LLC, of which you are the member manager. This site encompasses both the 142+ acre tract you mentioned in your August 24th letter and an approximately 8+ acre tract that allows access to the larger tract. I have enclosed for your review the summary of an appraisal of value of these two tracts. The County's position is that the appraisal accurately reflects the true value of the two tracts of land. The full appraisal is available if you so desire.

I believe there are two avenues that a discussion of the price of these tracts of property may take:

- 1) A discussion of the true value of the property and the terms of a potential purchase of the property.
- 2) A discussion of a "friendly condemnation" action in which the owner of the property agrees to a condemnation action through the County's power of eminent domain and gains the associated favorable tax benefits.

This letter should in no way be viewed as a guarantee that Orange County will purchase either of these two tracts or as an offer to purchase these tracts, however, Orange County is interested in discussing potential pricing and terms. If you are interested in further discussions regarding this property, please contact me at the above number or Pam Jones at 245-2652 in order to set up a meeting with us.

Yours truly,

A handwritten signature in black ink that reads "John L. Roberts". The signature is written in a cursive style.

John L. Roberts
Orange County Attorney

Orange County Solid Waste Management

P.O. Box 17177 Chapel Hill, NC 27516-7177 (919) 968-2885 FAX (919) 932-2900 www.co.orange.nc.us/recycling



Orange County Landfill 932-2989

Orange Community Recycling 968-2788



FASCIMILE TRANSMITTAL SHEET



DATE: 8-24 TOTAL NO. OF PAGES INCLUDING COVER: 3

TO: John Roberts FROM: Coyne

COMPANY/DEPT: _____

PHONE NUMBER: _____

FAX NUMBER: 644-3004

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

Received today

Orange County Solid Waste Management

P.O. Box 17177 Chapel Hill, NC 27516-7177 (919) 968-2885 FAX (919) 932-2900 www.co.orange.nc.us/recycling



Orange County Landfill 932-2989

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FASCIMILE TRANSMITTAL SHEET



DATE: 8-24 TOTAL NO. OF PAGES INCLUDING COVER: 3

TO: Gwen Harvey FROM: Coyle
COMPANY/DEPT:

PHONE NUMBER:

FAX NUMBER:

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

Received today

West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278

COPY

May 20, 2009

Mr. Gayle Wilson
Director of Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Orange County Transfer Station

Dear Gayle:

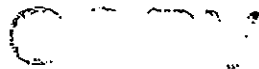
This letter is in response to your conversation with Portia Hedgepeth regarding Orange County's interest in purchasing parcel # 9739-67-3056 as recommended by Olver, Inc. consisting of 142.7 acres owned by West 54, LLC located off Highway 54 West, Chapel Hill for a waste transfer station.

Please be aware that the 142.8 acres owned by West 54, LLC is available for sale at a price of \$3 million dollars plus reimbursement for existing road improvements on the 8.1 acres site to station 15.5. As previously stated in my letters to you dated November 10, 2008 and December 10, 2008 of which you forwarded to the County Attorney, Geof Gledhill, we will accept an offer to purchase the 142.7 acres site under the following purchase options other than a direct cash purchase without any tax liability to the Seller.

There are 3 alternative purchase options: 1) A 1031 Tax Free Exchange 2) An installment sale 3) A tax free cash sale - no tax liability to the Seller. The County can exchange this property for property currently owned by Orange County with Howell's approval. Selection of the exchange property requires written approval by Howell 90 days prior to the exchange. The adjacent 8.1 acre site requires zoning to allow storage facilities along with their subsequent approvals which provide a 60 ft. right of way to the 142.7 acre site. Total acres for both sites is 150 acres for \$4,000,000 which would include the existing road improvements. Buyer is required to complete the road right to the 142.7 acre site.

We request the County make a written commitment for purchase arrangements for this property on or before August 1, 2009 to West 54, LLC.

Regards,



Dennis H. Howell, Member Manager
West 54, LLC

Cc: Laura Blackmon, County Manager
Woody Webb, The Edmisten & Webb Law Firm
Tim Holleman, Contractor
Mike Neal, Engineer

DHH/ph

West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278

August 24, 2009

Mr. Gayle Wilson
Director of Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Orange County Transfer Station

Dear Gayle:

As you are aware in our last letter dated May 20, 2009, we requested a written commitment from the County by August 1, 2009 if they were interested in purchasing the 142.7 acres owned by West 54, LLC located off Highway 54, West, Chapel Hill.

We have received no response from the County regarding their intent. Please forward to us a written update of the status of this project. All terms and conditions remain as stated in our letter dated May 20, 2009. We look forward to your response.

West 54, LLC

West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278

December 26, 2008

Mr. Gayle Wilson
Director of Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Right of Entry For Orange County Transfer Station

Dear Gayle:

We received your letter dated 12/22/08 regarding the Orange County Transfer Station on 12/24/08 at 5:00 pm.

Please note this is a response in order to comply with your five business day request outlined in your letter dated 12/22/08. When Laura Blackmon meets with the West 54, LLC members in person and commits to a contract to purchase, we will then review your request for entry onto the property identified as PIN # 97396730 and the 60 foot Right of Way easement from Highway 54 to the subject property.

Regards,



Dennis H. Howell, Member Manager
West 54, LLC

Cc: Laura Blackmon, County Manager
Woody Webb, Attorney
Steve Miller, Attorney
Tim Hoffoman

DHH/ph

West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278

Post-It® Fax Note	7671	Date	12/11/08	# of pages	1
To	Atty Gledhill		From	Gayle Wilson	
Co./Dept.			Co.		
Phone #			Phone #		
Fax #			Fax #		

December 10, 2008

Mr. Gayle Wilson, Director
Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Orange County Transfer Station

Dear Gayle:

As a reminder attached are the terms and conditions of the sale of 142.7 acres to Orange County for a transfer station site. Listed below is a list as previously stated conditions for your review prior to the meeting on 12/11/08:

- 1) The sales price to the Buyer is \$3,068,050.
There are 4 purchase options:
- 2) A 1031 Tax Free Exchange
- 3) A direct sale.
- 4) An installment sale
- 5) A tax free cash sale – no tax liability to the Seller
- 6) 100% of the road access cost is Buyer's responsibility. (Either off Teer Road or off of Highway 54)
- 7) Buffer setbacks of 500 ft. and 250 ft. are required.
- 8) Commercial zoning to be provided for the 8.1 acre tract.
- 9) Construction by Buyer of an 8 ft. high masonry wall between the 8.1 acres and the 142.7 acres.
- 10) Deed restriction required. (Recorded Restrictive Covenants)
- 11) A Family Unit Trust is being established prior to signing contract to sell property to Buyer.
- 12) Omission of any one of these conditions will nullify the agreement to sell.

If you have any questions, please don't hesitate to contact us at 967-2278.

Regards,

Dennis H. Howell, Member Manager
West 54, LLC

DHH/ph

✓ Saved 11/24/08

West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278

November 24, 2008

Mr. Gayle Wilson, Director
Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Orange County Transfer Station

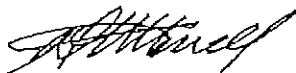
Dear Gayle:

After additional review of the recommendations made by Olver to include the 142.8 acres site owned by West 54, LLC as one the three locations for a solid waste transfer station, the owners have elected to modify the terms and conditions as follows.

The only sales option is for the 142.8 acre site to be purchased in its entirety by the County for \$3 million dollars. The property can be purchased under one of the following programs: (1) A 1031 Tax Free Exchange, (2) A Direct Exchange for a comparable County owned property, or (3) An installment sale of the \$3 million dollars at 7% for 5 yrs. @ \$708,700.00 annually or 10 yrs. @ \$415,566.00. Other conditions are as follows: the road access to the property must be from Teor Road, a minimum of a 8 foot high landscaped engineered wall must be constructed between the 142.8 acres and the 8.1 acre sites, the County would require a 500 foot set back with a 200 foot buffer around the 142.8 acre site. The buffers would provide the surrounding property and neighbors with a satisfactory buffer area around the transfer station. We would also require the County to provide the 8.1 acres with an active commercial zoning for intermediate development with 3 to 5 years. Please be aware that a family unit trust is being developed for this property to be disbursed in cash to the Trust.

The owner's will allow the Board of Commissioners to visit the property, but do not give permission for the media accompany them. Please contact our office at (919)967-2278 to schedule this visit.

Regards,



Dennis H. Howell, Member Manager
West 54, LLC

DHH/ph

Post-It® Fax Note 7671		Date	# of pages
To	Brian Farrell	11/25	1
Co./Dept.		From	Gayle Wilson
Phone #		Co.	
Fax #		Phone #	
		Fax #	

*West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278*

November 13, 2008

Mr. Gayle Wilson
Director of Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Orange County Transfer Station

Dear Gayle:

This is a follow response to the questions you had regarding our letter dated 11/01/08. First of all I would like to clarify the purchase of 142.8 acres vs. 100 acres and the related restrictions or conditions.

If the County elects to purchase the 142.8 acres the conditions will be as follows. The price is \$3 million with a 10% deposit required. Traffic access would need to be from the northern side of the property. The County would be required to provide a 200 foot side buffer along with a 500 foot buffer along an 8 foot masonry wall to divide the transfer station from the adjacent property.

If the County elects to purchase the 100 acres the conditions will be as follows. The price is \$2.5 million with a 10 % deposit required. Traffic access would need to be from the northern side of the property. The County would be required to provide a 200 foot side buffer along with a 500 foot buffer along an 8 foot masonry wall to divide the transfer station from the adjacent property.

The buffers would provide the surrounding property and neighbors with a satisfactory buffer area around the transfer station. The County would be required to provide access to the property not from Highway 54. Without transfer station traffic we will provide the 60 ft. right of way road to our property off of Highway 54.

In either proposal we would also require the County to provide the 8.1 acres and any remaining acreage with a commercial zoning for development. Additional requirements would be that this transaction would have to be done under conditions of a 1031 Exchange or at least no tax liability to Seller.

Please contact our office at 967-2278 to schedule to visit the property.

Regards,



Dennis H. Howell, Member Manager
West 54, LLC

DHH/ph