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May 20, 2008

Jerome F. Zamorski, Esq. 2210 Douglas Crescent Utica, NY 13501

Dear Jerry:

I understand that at a neighborhood meeting hosted by Councilman Rocco Giruzzi, there was discussion about the corporation, Citizens to Preserve Our Neighborhood. Enclosed is a copy of the Conservation Easement that we signed in 1999. As you will recall, the Easement provides that the easement is granted to an organization to be formed, the organization to be titled "Citizens to Preserve Our Neighborhood." The easement was granted alternatively to the City of Utica to protect the City and the neighborhood in the event that the organization, for whatever reason, was not formed or was not granted tax exempt status.

I do not know whether the organization was ever formed and, if it was formed, I do not know whether the organization obtained approval of its tax exempt status. If the organization was formed and the tax exempt status was obtained, please provide us with the appropriate documentation. We would like to see the certificate of incorporation, the filing receipt, and the letter from the IRS recognizing the organization as tax exempt. If those things have been done, then the organization would hold the easement, and the Medical Center would address its requests for modification of the easement to that organization.

Prior to last week's meeting it was our understanding that the organization had not been formed and that, therefore, the easement belongs to the City of Utica. The easement could be modified by whoever holds the easement, whether it is the Citizens to Preserve Our Neighborhood or the City.

I should mention at this time that we believe that we can use the properties at 12, 14, 16 and 18 Ballantyne Brae without violating the easement if the City grants us the zoning change. Under the terms of the easement, we have the right to maintain all existing structures, including pavement that existed in 1999. That would include the driveway from the Medical Center to the Hostel House backyard at 16 Ballantyne Brae as well as all other existing pavements. The only permit we seek from the City is permission to use the residences as offices. We then seek permission from the easement holder to add additional pavement that would permit us to drive from the Medical Center property into the backyards on Ballantyne Brae. But if that is denied, we have the right to walk from Ballantyne Brae to the Medical Center.

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I hope this helps to clarify our request. We look forward to reviewing whatever documentation you have concerning the formation of Citizens to Preserve Our Neighborhood.

Sincerely,

Christopher J. Connors

/pj Enc.