



May 28, 2010

Mr. Craig N. Benedict, AICP, Director
Orange County Planning and Inspections Department
131 West Margaret Lane
P.O. Box 8181
Hillsborough, NC 28278

Re: The University of North Carolina at Chapel Hill
Bingham Facility
1907 Orange Chapel Clover Garden Road
(TMBL 6.33.12/PIN 9728-93-1820)

Dear Mr. Benedict:

On behalf of the University, I want to thank you and Michael Harvey for meeting with UNC staff members Bruce Runberg, Anna Wu and Wendy Hillis on April 29, 2010, to discuss our expansion plans for the Bingham Facility. We especially appreciate the time and effort that went into the Orange County Planning Department's guidance for navigating the site plan approval process that was provided in the April 9, 2010, letter from Mr. Harvey.

Part of that letter was a review of past events related to prior approvals for the Bingham Facility. While for the most part the letter was accurate in its history, we offer the following clarifications for the record.

1. In the approval received from the Orange County Planning Department on November 22, 2004, for expansion to the UNC Research Resources Facility, Mr. Harvey's letter noted that (5) pig enclosures were included but did not mention the square footage for those enclosures. The approval was for 4,800 square feet for each of these enclosures, for a total of 24,000 square feet.
2. While Mr. Harvey's letter states that there was no reference on the 2004 approved site plan to the number of employees that would be working from the property, we would like to note that the Site Data provided with the University's application stated that there would be 30 employees on site at build-out.
3. Mr. Harvey's letter also states that there was no reference on either the 2004 approved site plan or the revised site plan approved by the county July 21, 2006, "denoting the overall size or capacity needs" of the wastewater treatment system necessary for the site. After reviewing the documents, we would clarify that application materials for the 2004 approved site plan show the existing wastewater

treatment system and spray fields on Sheet L600. The revised site plan also shows the proposed wastewater treatment system and spray fields and was approved by the county in 2006 without any questions being raised by Orange County staff at the time regarding its overall size or design capacity.

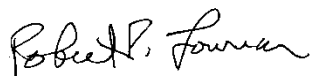
We acknowledge that the permit requirements for the wastewater treatment facility remain to be resolved. As previously discussed, we will contact your office to review these requirements when we have confirmed our plans for the new facility.

My team and I are in the midst of a thorough re-examination of the Bingham Facility that will result in the design and construction of an even stronger, more sustainable project than originally envisioned. The University has hired McKim & Creed, a nationally recognized engineering and design firm that specializes in sustainable design, to develop a reliable, total water management strategy for the site that is both sustainable and environmentally sound. This system will be designed to treat wastewater to the level of reclaimed water, thus alleviating any concerns about possible contamination of the site, groundwater and nearby creek.

This new wastewater treatment system is a key component of a much-needed expansion of the facility that is being partially funded by a \$14.5 million grant from the National Institutes of Health (NIH). This investment is an impressive endorsement of the quality of the University's genetic research on hemophilia, muscular dystrophy and cardiovascular disease. The expansion supports the University's research mission by allowing us to consolidate two remote and crowded facilities in one new and more spacious location designed especially for large animal research.

We look forward to working with your department on this project. Please let me know if you have any additional questions.

Sincerely,

A handwritten signature in cursive script that reads "Robert P. Lowman".

Robert P. Lowman, Ph.D.
Associate Vice Chancellor for Research
University of North Carolina at Chapel Hill