

The Clark Group
 POST OFFICE BOX 10136
 WILMINGTON, NC 28404-0136



LETTER OF TRANSMITTAL

TO:

NC DENR, DWM
Inactive Hazardous Sites Branch
127 Cardinal Drive Extension
Wilmington, NC 28405

DATE: 04/03/14	PROJECT NO. 08102
ATTN: Mr. Sam Watson	
RE: Fertile Ground, LLC at 4022 Market St.	
Wilmington, NC	

WE ARE SENDING YOU ATTACHED _____ UNDER SEPARATE COVER _____ OTHER (SPECIFY)
 SHIPPED VIA _____ THE FOLLOWING:

NO.	DATE	DESCRIPTION
2	04/02/14	Electronic Copy of Brownfield Application Package, including Exhibits, Affidavit, Agreement
2	04/02/14	Original notarized Affidavit and copy
2	04/02/14	Original initialed Agreement and copy

THESE ITEMS ARE TRANSMITTED AS CHECKED BELOW:

FOR APPROVAL FOR YOUR USE _____ AS REQUESTED _____ FOR REVIEW/COMMENT

REMARKS/COMMENTS:

<p>Mr. Watson: On behalf of our client, Fertile Ground LLC, please find enclosed two electronic copies (2 CDs) of the Brownfields Application Package for the subject site. Also find enclosed the original notarized Affidavit and the original initialed Agreement, and a copy of each, noting both of these documents have also been put on the CDs. It is our understanding that you will transmit one set of these documents to Ms. Shirley Liggins, in Raleigh. Should you have any questions, please contact our office. Sincerely, JoAnne Shadroui</p>
--

COPY TO: FILE

SIGNATURE:

Brownfields Property Application
North Carolina Brownfields Program
www.ncbrownfields.org

I. PROSPECTIVE DEVELOPER (PD) INFORMATION {USE TAB KEY TO GET TO NEXT DATA ENTRY LINE – DO NOT USE THE RETURN KEY}

A. PD information:

Entity name	Fertile Ground, LLC
Principal Officer	Member-Managed, Kersting appointed to this matter
Representative	Michael Ross Kersting
Mailing Address	4022 Market Street Wilmington, NC, 28403
E-mail address	michael@kerstingarchitecture.com
Phone No.	910-763-1350
Fax No.	N/A
Web site	N/A

B. PD contact person information (i.e., individual who will serve as the NCBP's point of contact if different than above):

Name	R. Paul Clark, P.G.
Company	The Clark Group
Mailing Address	PO Box 10136 Wilmington, NC, 28404-0136
E-Mail Address	paul.clarkgroup@gmail.com; pclark@clarkgroup.us
Phone No.	910-392-5555; 910-520-0237
Fax No.	910-392-5552

C. Information regarding all parent companies, subsidiaries or other affiliates of PD (attach separate sheet(s) if necessary):

(Use for LLCs)

Member-managed or manager-managed? **Answer:** Member-Managed, except as provided by N.C.G.S, Section 57-C-3-20(a), the members of this LLC shall not necessarily be managers by virtue of their status as members.

**NORTH CAROLINA DEPARTMENT OF ENVIRONMENT
AND NATURAL RESOURCES
NORTH CAROLINA BROWNFIELDS PROGRAM**

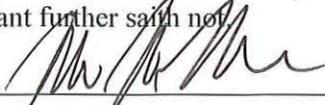
IN THE MATTER OF: Fertile Ground, LLC

UNDER THE AUTHORITY OF)	AFFIDAVIT
NORTH CAROLINA GENERAL)	RE: RESPONSIBILITY
STATUTES § 130A-310.30, et. seq.)	AND COMPLIANCE

<<PROSPECTIVE DEVELOPER NAME>>, being duly sworn, hereby deposes and says:

1. I am <<Member Manager>> of <<Fertile Ground, LLC>>.
2. [if signatory is not President, add this paragraph: "I am fully authorized to make the declarations contained herein and to legally bind <<Fertile Ground, LLC>>."]
3. <<Fertile Ground, LLC>> is applying for a Brownfields Agreement with the North Carolina Department of Environment and Natural Resources, pursuant to N.C.G.S. § 130A, Article 9, Part 5 (Brownfields Act), in relation to the following <<Parcel Number 313706.49.0376.000>> parcel(s) in <<Wilmington>>, <<New Hanover>>, County, North Carolina: <<4022 Market Street, Wilmington, NC, 28403>>
4. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that <<Fertile Ground, LLC>>, and any parent, subsidiary or other affiliate meets the eligibility requirements of N.C.G.S. § 130A-310.31(b)(10), in that it has a *bona fide*, demonstrable desire to **buy** **sell** for the purpose of developing or redeveloping, and did not cause or contribute to the contamination at, the parcel(s) cited in the preceding paragraph.
5. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that <<Fertile Ground, LLC>> meets the eligibility requirement of N.C.G.S. § 130A-310.32(a)(1) in that it and any parent, subsidiary or other affiliate have substantially complied with:
 - a. the terms of any brownfields or similar agreement to which it or any parent, subsidiary or other affiliate has been a party;
 - b. the requirements applicable to any remediation in which it or any parent, subsidiary or other affiliate has previously engaged;
 - c. federal and state laws, regulations and rules for the protection of the environment.

Affiant further saith not



Signature/Printed Name

Michael Ross Kersting

Date 4-2-14

Sworn to and subscribed before me

this 2 day of April, 2014.

Kimberly Wise Notary Public

My commission expires: 8-11-18



If manager-managed, provide name of manager and percent of ownership:

Name Michael Ross Kersting
Ownership (%) 33.33
Mailing Address 4022 Market Street
Wilmington, NC, 28403
E-Mail Address michael@kerstingarchitecture.com
Phone No. 910-763-1348
Fax No. N/A

For all LLCs, list all members of the LLC and provide their percent of ownership:

Name Francis Colangelo
Ownership (%) 33.33
Mailing Address 4022 Market Street
Wilmington, NC, 28403
E-Mail Address francolangelo@gmail.com
Phone No. 910-763-1348
Fax No. N/A

Name J. Partick Fitzgerald
Ownership (%) 33.33
Mailing Address 4022 Market Street
Wilmington, NC, 28403
E-Mail Address fwpinc@aol.com
Phone No. 910-763-1348
Fax No. N/A

Name N/A
Ownership (%)
Mailing Address

E-Mail Address
Phone No.
Fax No.

Managers of manager-managed LLCs are required to execute all brownfield documents for the LLC; as to member-managed LLCs, state name of member who will sign these documents.

Michael Ross Kersting

List all parent companies, subsidiaries and other affiliates:

MW-4, LLC, affiliated as Current property owner, and Seller.
Kersting is a partner of Fertile Ground LLC

Other Entities at Site: Current tenants: Interior Design Center, owner Terry Jascar; FitzGerald Wood Products, owner Patrick FitzGerald; Bluewater Surfaces, owner Dustin Braudway; Kersting Architecture, PA, owner Michael Ross Kersting; Kingpost Design and Construction, owner Fran Colangelo.

(Use for Partnerships)

Check one: General Partnership Limited Partnership

List all partners and percent of ownership:

Name N/A

Ownership (%)

Mailing Address

E-Mail Address

Phone No.

Fax No.

Is this person a general or limited partner?

Name

Ownership (%)

Mailing Address

E-Mail Address

Phone No.

Fax No.

Is this person a general or limited partner?

List all parent companies, subsidiaries and other affiliates:

(Use for corporations other than LLCs)

(If information is the same as shown in 1.A., please indicate "same as 1.A." below.)

Name

Mailing Address

E-Mail Address

Phone No.

Fax No.

List all parent companies, subsidiaries and other affiliates:

(Use for individuals)

(If individual is the same as shown in 1.A., -please indicate "same as 1.A." above.)

Name

Mailing Address

E-Mail Address

Phone No.

Fax No.

- D. Does PD have or can it obtain the financial means to fully implement a brownfields agreement and assure the safe reuse of the property? *(Attach supporting documentation such as letters of credit, financial statements, etc.)*

Answer Yes

Explanation The PD applicants' affiliated businesses have inhabited the property for six years (since the property has been owned by MW-4, LLC), and MW4, LLC has already completed some major renovations in the past. There are future plans by the PD, Fertile Ground, LLC, for expanding the redevelopment incrementally. In this instance, the lender is

facilitating the purchase and the first phase of new redevelopment, pending an affirmative eligibility determination. A letter from the banking entity is included herein as Exhibit 17.

- E. Does PD have or can it obtain the managerial means to fully implement a brownfields agreement and assure the safe use of the property?

Answer Yes

Explanation The PD is fully aware of the responsibilities of implementing a Brownfields Agreement and reusing the property in a safe and appropriate manner. It has also engaged a qualified consultant (Licensed Geological Firm) to provide consultation and support to facilitate their efforts.

- F. Does PD have or can it obtain the technical means to fully implement a brownfields agreement and assure the safe use of the property?

Answer Yes

Explanation It has engaged the services of a qualified consultant (Licensed Geological Firm) who has abundant credentials and experience.

- G. Does PD commit that it will comply (and has complied, if PD has had a prior project in the NCBP) with all applicable procedural requirements of the NCBP, including prompt payment of all statutorily required fees?

Answer Yes

(List all NCBP project name(s) and NCBP project ID numbers where PD or any parent company, subsidiary and other affiliate of PD has been a party to.)

N/A

- H. Does PD currently own the property?

Answer No

If yes, when did PD purchase the property and from whom? (Provide name, address, telephone number and email address of the contact person for the current property owner.)

If no, provide the name, address, telephone number and e-mail address of the contact person for the current property owner

I. If PD does not currently own the property, does PD have the property under contract to purchase?

Answer No

If yes, provide date of contract. The agreed contract is assured pending the ability of the PD to purchase the property. This ability is contingent upon the site being qualified as eligible for a Brownfields Agreement. A letter from the banking entity is included herein as Exhibit 17.

If no, when does the PD intend to purchase the property (e.g., after the project is determined to be eligible for participation in the NCBP, after PD receives a draft BFA, after the conclusion of the brownfields process)? Note: the Act requires the PD to demonstrate that it intends to either buy or sell the property.

The PD has financing contingent upon the acceptance of the property by the Brownfields Program. The lender is Park Sterling Bank, c/o Mr. Lentz Brewer, Vice President, (910-679-1344).

J. Describe all activities that have taken place on the property since PD or PD's parents, subsidiaries and/or other affiliates, and/or lessees or sublessees of PD, took ownership of or operated at the property (e.g., industrial, manufacturing or commercial activities, etc.). *(Include a list of all regulated substances as defined at NCGS § 130A-310.31(b)(11) that have been used, stored on, or otherwise present at the property while those activities were conducted, and explain how they were used.)*

In 2008, MW-4, LLC, the current owner, purchased the property from prior owner Wetsig Yachts and renovated the buildings to accommodate professional architectural and contractor offices, and to show case facilities for building products. No manufacturing has taken place on the site since it was purchased by MW-4, LLC. In summary, and as detailed below, prior non-PD affiliated activities at the site included: Pearsall and Company Fertilizer Works 1900 -1980 (~80 years, fertilizer bagging and sales); Pearsall Garden Center 1980-1983 (~3 years, farm/garden product sales), then Wetsig Yachts 1984-2008 (~24 years, yacht manufacturing and small engine repair).

II. SITE INFORMATION

A. Information regarding the proposed brownfields property:

Proposed project name Fertile Ground, LLC, Property Development and Leasing

acreage 4.00 street address(es) 4022 Market Street

city [Wilmington](#) County [New Hanover](#) zip [28403](#)

tax ID(s) or PIN(s) [313706.49.0376.000](#)

past use(s) [Exhibit I herein contains a List of Exhibits \(I to 18\) in this application.](#)

The site is completely surrounded by a railroad switchyard which dates back to at least 1915, as shown in a 1915 Sanborn map of the site ([Exhibit 2, appendices](#)). During the early 1900s, the original facility was built and operated as a fertilizer bagging and distribution facility ([Pearsall and Company Fertilizer Works](#)). During this time, a rail spur was constructed along the building, and presumably, this is where the off loading of fertilizer occurred, and where it entered the building to be mixed to varying specifications and bagged. It is believed that the fertilizer products packaged here were manufactured at one or more of the historical [Wilmington area fertilizer manufacturing plants](#). At a number of those plants, sulfuric acid was manufactured from mineral ore (arseno-pyrite), and the acid was utilized to dissolve phosphate rock for addition to the fertilizer mixture as an enhancer. Oftentimes, if not always, arsenic has been found as an artifact contaminant. On the other hand, historic railroad ties, composed of treated lumber, themselves are known to contain arsenic compounds. Therefore it is impossible to completely and definitively ascertain the actual source, or whether a mixture of the two possible sources are responsible.

Subsequent to the fertilizer bagging operations, the facility was used briefly as [Pearsall Garden Center](#), until circa 1984, when Mr. Wetsig purchased the site and made renovations to the facility in order to manufacture fiberglass yachts (operating as [Wetsig Yachts](#)). It is not believed that the yacht manufacturing resulted in the discharge of arsenic, and the grounds have been tested for possible solvents and residues from yacht manufacturing. There was also a small engine repair shop ([Marine Mechanix](#), leased out by Wetsig).

The prior usages on the property are documented in a [Phase I Environmental Site Assessment Report \(August 2002, Exhibit 2\)](#). A subsurface [Phase II Environmental Site Assessment Report \(December 2002, Exhibit 3\)](#) and [Phase I Limited Site Assessment Report \(July 2003, Exhibit 4\)](#) demonstrated that no releases were detected in other areas checked in association with those ancillary uses. Follow up reports addressing issues raised by NC DENR were required and completed, including a [Comprehensive Site Assessment \(November 2004, Exhibit 5, which contains a detailed synopsis of those smaller report findings\)](#), and [Corrective Action Plan \(March 2005, Exhibit 6\)](#). Prior to MW4 LLC taking ownership from Wetsig, a second [Phase I ESA report was performed \(Exhibit 7\)](#). Follow-up groundwater monitoring over many years affirmed the continued presence of low concentrations of arsenic in groundwater, at one or several closely spaced monitoring wells ([most recent monitoring report, Exhibit 8](#)).

[Exhibit 9](#) contains a copy of all significant regulatory correspondence associated with the site (Items listed as [Items A to R](#)).

current use(s) [professional offices](#)

cause(s)/source(s) of contamination:

known [uncertain](#)

suspected Source is either artifact of historical fertilizer bagging residue or railroad ties, or both.

- B. Regulatory Agency Involvement: List the site names and all identifying numbers (ID No.) previously or currently assigned by any federal, state or local environmental regulatory agencies for the property. The ID No's may include CERCLIS numbers, RCRA generator numbers for past and present operations, UST database, Division of Water Quality's incident management database, and/or Inactive Hazardous Sites Branch inventory numbers. *(In many instances, the PD will need to actively seek out this information by reading environmental site assessment reports, reviewing government files, contacting government officials, and through the use of government databases, many of which may be available over the internet.)*

Agency Name/ID No: DWQ /Incident No. 86881

Agency Name/ID No: IHSB/ NONCD0001105

Agency Name/ID No: DWM Incident No 32039 (additional requested sampling resulted in no further mandates or requirements associated with this incident number).

Agency Name/ID No:

Agency Name/ID No:

- C. In what way(s) is the property abandoned, idled, or underused?

In the early to mid 2000s, the property was unfinancable and negotiations with IHSB and DWQ led to an original regulatory conclusion in 2003-2004 (Exhibit 9, Items F, G, H) that DWQ would actively maintain management of the incident contingent upon the completion of a Comprehensive Site Assessment Report 2004 (Exhibit 5) and a Corrective Action Plan 2005 (Exhibit 6). The corrective action remedy was approved in 2005 (Exhibit 9, Item J) as natural attenuation, and monitoring proceeded. In January 2006 NCDENR IHSB attempted to assert jurisdiction over the incident (Items K and L) but in February 2006 relinquished it back to DWQ at DWQ's request and the site was taken off the IHSB list (Item L). Monitoring ensued.

In October 2007, due to changes at NC DENR, oversight was returned to IHSB (ITEM R), and routine monitoring consistent with the CAP continued for several more years. The most current monitoring report, Environmental Benchmark and Natural Attenuation Monitoring Report (December 2013, Exhibit 8) affirms the presence of trace concentrations of arsenic at levels just above groundwater regulatory standards.

In the current economy, the listing of the site on IHSB inventory has made additional financing of the site impossible, and thus the property cannot continue to be redeveloped unless a Brownfields Agreement is facilitated. In the absence of this, the current owner would be left no choice but to abandon the property and leave the current lender with the option to foreclose. The purchasers intend to continue to improve the property incrementally over time. Without a Brownfields Agreement, this economic development would be impossible.

A letter from the banking entity is included herein as Exhibit 17.

- D. In what way(s) is the actual or possible contamination at the property a hindrance to development or redevelopment of the property (attach any supporting documentation such as letters from lending institutions)?

The contamination is low levels of arsenic in groundwater, at neutral pH. Although soil samples found no specific evidence of a point source, the plume appears to be potentially emanating from the area of the old rail siding, used for unloading bulk fertilizer ingredients and products. It is unknown whether the old railroad ties (i.e. very old, treated lumber) are contributing or are the entire source.

The contamination does not represent a physical hinderance to redevelopment, however, the surficial aquifer should not be utilized in any way. In addition, any areas of planned excavation in the vicinity of the plume should be specifically tested prior to beginning work.

The real hinderance is the unwillingness for Lenders to take a security interest in the property with the CERCLA substance present, and the fact that it is listed on the IHSB inventory exposes lenders to potential future regulatory liability if they should ever take ownership.

- E. In what way(s) is the redevelopment of the property difficult or impossible without a brownfields agreement (attach any supporting documentation such as letters form lending institutions)?

The redevelopment is impossible without a Brownfields Agreement. This is a condition precedent to complying with the terms of the financing. A letter from the banking entity is included herein as Exhibit 17.

- F. What are the planned use(s) of the redeveloped brownfields property to which the PD will commit? Be as specific as specific as possible.

The PD commits to continue using the property for commercial purposes and intends to expand the footprint of buildings on the site in the future as the economy allows. The location and existing infrastructure at the site is conducive to many expanded uses. Exhibit 10 contains renderings of preliminary future plans.

- G. Current tax value of brownfields property: \$900,000.00

- H. Estimated capital investment in redevelopment project: \$10,000.00 initially

- I. List and describe the public benefits that will result from the property's redevelopment. Be as specific as possible. (Examples of public benefits for brownfields projects include job creation, tax base increases, revitalization of blighted areas, preserved green space, preserved historic places, improving disadvantaged neighborhood quality-of-life related retail shopping opportunities, affordable housing, environmental cleanup activities or set asides that have community or environmental benefits. In gauging public benefit, NCBP places great value upon letters of support from community groups and local government that describe anticipated improvements in quality of life for neighboring communities that the project will bring about. The inclusion of such support letters with this application is recommended and encouraged.)

There are many public benefits which arise from the redevelopment of this property. During its past usage as a yacht manufacturing facility, the downturned high-end vessel economy resulted in a much reduced revenue to the former owner (Paul Wetsig), and he was facing foreclosure. The grounds were blighted and the property actually was an attractive nuisance, and represented a danger to the community. When MW-4 LLC began the redevelopment process, the appearance and integrity and security of the site was much improved. Then 2008/2009 followed and the recession hit. This was a very difficult time for MW-4, and they were unable to sustain the financing which was in-place at the time. In addition, the 2007 reorganization within NCDENR resulted in the listing of the property on the Inactive Hazardous Sites List. Finally, when US EPA reduced the standard for arsenic in groundwater, additional pre-existing monitoring wells became non-compliant with the new standard. These conditions conspired to deem the property essentially unfinancable.

The redevelopment process was initiated during MW-4 LLC's ownership and the value of the property has been increased already. Major renovations were made, and plans for additional long term renovations and building additions will be continued under the new ownership by Fertile Grounds, LLC, the applicant and PD. These improvements and the present redevelopment plans bring additional value and tax revenue to the property. In addition, jobs have been created and will continue to be created as the incremental redevelopment continues. An additional benefit is that the property is now a safe and secure facility of much reduced risk to the neighborhood. New Hanover County and The City of Wilmington are experiencing numerous benefits in general including increased safety and security of the neighborhood, reduction of blight, increased tax revenues, and job creation. The new businesses are also much less intensive than that reflected by the inherited zoning (Heavy Industrial).

Special Note: Please describe all environment-friendly technologies and designs PD plans to utilize in its redevelopment strategy. For example, environment friendly redevelopment plans could include: Leadership in Energy and Environmental Design (LEED) Certification, green building materials; green landscaping techniques such as using drought resistant plants; energy efficient designs, materials, appliances, machinery, etc.; renewable sources of energy, and/or recycling/reuse of old building materials such as brick or wood.

As re-development continues at the 4022 Market Street property, these environmental friendly and sustainable features will be highlighted in SITE design: employ low impact development techniques (LID); use bio-retention storm water gathering systems and re-use storm water for landscape irrigation; maximize green space, by planting additional trees for shading and installing drought tolerant plants; install permeable paving to allow for natural storm water drainage; install bike racks and a safe path to the WAVE transit bus stop on Market Street. For existing and new buildings, the following features will be employed: existing and new building to use insulated low-E glazing, positioned to pull natural light into the buildings eliminating the need for daytime artificial lighting; install solar PV panel on south facing roofs; current building has been upgraded using materials recycled from an existing structure; new building will be fabricated with recycled steel and reclaimed hardwood flooring; showers will be installed to encourage building users to ride bicycles to the property; rainwater harvesting systems will be installed on existing and new buildings; rainwater will be used for landscape irrigation and gray water waste; on site waste disposal (septic system).

- J. Who will own the brownfields property when the Notice of Brownfields Property is filed with the register of deeds at the conclusion of the brownfields process? (If information is the same as 1.A. above, please indicate.)

Name Fertile Grounds, LLC
Mailing Address 4022 Market Street
Wilmington, NC, 28403
E-Mail Address michael@kerstingarchitecture.com
Phone No. 910-763-1348
Fax No. N/A

III. OTHER REQUIRED INFORMATION

- A. Brownfields Affidavit: PD must provide its certification, in the form of a signed and notarized original of the unmodified model brownfields affidavit provided by NCBP, that it did not cause or contribute to contamination at the property and that it meets all other statutory eligibility requirements. *(Note: The form to use for this affidavit is attached to this application. It must be filled out signed notarized, and submitted with this application.)*
Is the required affidavit, as described above, included with this application?

Answer Yes (Exhibit 11)

- B. Proposed Brownfields Agreement Form: PD must provide the completed form Proposed Brownfields Agreement. *(Note: The form to use for this document is attached to this application. It must be filled out, initialed, and attached on your submittal.)*
Is the required Proposed Brownfields Agreement, as described above, included with this application?

Answer Yes (Exhibit 12)

- C. Location Map: PD must provide a copy of the relevant portion of the 1:24,000 scale [U.S.G.S. topographic quadrangle map](#) that shows the property clearly plotted, and that measures at least an 8 ½ by 11 inches. *(Note: these maps can be purchased through the above link, or often through retail outdoor recreation stores that can print out the relevant map. Often environmental reports have location maps that use this type of map as the base for its location map.)*
Is the required location map included with this application?

Answer Yes (Exhibit 13)

- D. Survey Plat: PD must provide a preliminary survey plat of the brownfields property with the property boundaries clearly identified, and a metes and bounds legal description that matches the property description on the plat. At this stage of the brownfields process; one or more existing survey plats from a previous property conveyance will suffice. *(Before the*

brownfields project enters the public comment phase of the brownfields process, the PD will be required to submit a final brownfields survey plat which includes the information listed in the brownfields [survey plat guidance](#).)

Is the required preliminary survey plat included with this application?

Answer Yes (Exhibit 14)

E. Site Photographs: PD must provide at least one pre-redevelopment photograph of the property, in either hard copy or electronic format that shows existing facilities and structures. **Please note that the NCBP prefers to have electronic photos instead of or in addition to hard copies. Electronic copies of photographs should be emailed to: Shirley.Liggins@ncdenr.gov with a clear indication as to which Brownfields Application they apply to.**

Are photographs of the property included with this application?

Answer Yes (Exhibit 15)

Have electronic copies of the photographs been emailed to NCBP?

Answer Yes

F. Environmental Reports/Data: If it makes an affirmative eligibility determination, the NCBP will request that PD provide any and all existing environmental reports and data for the property on **CD only**. The brownfields process may be expedited if PD submits such reports/data with this application.

Are any environmental reports/data being submitted with this application?

Answer Yes, see specific reports, Exhibits 2 through 8; regulatory correspondence Exhibit 9, Items A through R.

If environmental reports/data are being submitted with this application, please provide the **title, date** and **author** of each item being submitted:

Exhibit 2: Phase I Environmental Site Assessment, August 21, 2002, Clark
Exhibit 3: Phase II Environmental Site Assessment Report, December 2, 2002, Clark
Exhibit 4: Phase I Limited Site Assessment Report, July 31, 2003, Clark
Exhibit 5: Comprehensive Site Assessment Report, November 15, 2004, Clark
Exhibit 6: Corrective Action Plan, March 21, 2005, Clark
Exhibit 7: Phase I Environmental Site Assessment, February 25, 2008, Clark
Exhibit 8: Environmental Benchmark and Natural Attenuation Monitoring Report, December 6, 2013, Clark

In addition, significant regulatory correspondence is enclosed in Appendix 9, Items A through R. Lastly, there have been several routine monitoring reports prepared by Clark over time and a full list is provided in Exhibit 16; however, copies of the most pertinent and synoptic reports are attached herein, as described above.

IV. ADDITIONAL REQUIRED FORMS

The following forms are to be filled out and submitted with the application including the Responsibility and Compliance Affidavit and the Proposed Brownfields Agreement. Submittal of the Affidavit requires signature and notarization, and the Proposed Brownfields Application requires an initial.

Preliminary Proposed Brownfields Agreement

I. Property Facts

a. Property Address(es): 4022 Market Street, Wilmington, NC, 28403

b. Property Seller: MW-4, LLC

c. Property Buyer: Fertile Ground, LLC

d. Brief Property Usage History: Originally Pearsall and Company Fertilizer Works 1900s to 1980, where fertilizer bagging and sales operations took place until approximately 1980. For about three years, the site operated as Pearsall Garden Center, 1980 -1983. Thence, 1984 to 2008, the property was owned by Paul Wetsig and operated as Wetsig Yachts (yacht manufacturing) and some areas were leased to a small engine repair business, Marine Mechanix, until approximately 2008. Thereafter, in 2008 to present, the property was purchased by MW-4, LLC and redevelopment and use as professional architectural and contractor offices, and showcase facilities for building products, was initiated. Groundwater contamination by arsenic was discovered and originally assessed and put into corrective action under the jurisdiction of NCDENR, Division of Water Quality. In 2007, as a consequence of a reorganization of NCDENR, the Inactive Hazardous Sites Branch of the Superfund Section assumed jurisdiction.

e. The planned reuse will potentially involve the following use classification(s) (check all that apply):

- School/childcare/senior care
- Residential
- Commercial, retail (specify) building products sales
- Other commercial (specify) contracting services
- Office
- Light industrial
- Heavy industrial
- Recreational
- Open space
- Other (specify)

II. Contaminant Information

a. The contaminant situation at the property is best described by the following (check all that apply):

- Contaminants are from an on-property source(s)
- Contaminants are from an off-property source(s)
- Contaminants are from an unknown source(s)
- Contaminants have not yet been documented on the property

b. Contaminated Media Table. (If known, check appropriate boxes below)

Contaminant Types	Soil		Groundwater and/or Surface Water		Private Wells		Vapor Intrusion	
	known	Suspected	known	Suspected	known	suspected	known	suspected
o r g a n i c s	Chlorinated Solvents (list):							
	Petroleum: ASTs <input type="checkbox"/> USTs <input type="checkbox"/> Other <input type="checkbox"/>							
	Other (list):							
i n o r g a n i c s	Metals (list):		arsenic					
	Other (list):							

III. Protective Measures

I am prepared to take steps necessary to make the property suitable for its planned uses while fully protecting public health and the environment. I propose that NCBP consider a brownfields agreement that will make the property suitable for the planned use(s) through the following mechanism(s) (check all that apply):

- Contaminant remediation to risk-based levels.
- Engineered Controls (e.g., low permeability caps, vapor mitigation systems, etc)
- Land use restrictions that run with the land that will restrict or prohibit uses that are unacceptable from a risk assessment/management perspective. (*Important Note: In any*

final brownfields agreement generated by the NCBP, land use restrictions will ultimately come with the continuing obligation to submit an annual certification that the Land Use Restrictions are being complied with and are recorded at the applicable register of deeds office.)

IV. Fees

In connection with a brownfields agreement, the Act requires that the developer pay fees to offset the cost to the Department of Environment and Natural Resources and the Department of Justice. In satisfaction of the Act, the following fees apply to any brownfields agreement that is developed for this project, subject to negotiation of the brownfields agreement:

- a. A \$2,000 initial fee will be due from the applicant PD when **both** of the following occur:
 - 1) NCBP receives this application and proposed brownfields agreement, AND
 - 2) NCBP notifies the applicant in writing that the applicant PD and the project are eligible for participation in the NCBP and continued negotiation of a brownfields agreement.
- b. A second fee of \$6,000 will be due from the PD prior to execution of the brownfields agreement. Should the prospective developer choose to negotiate changes to the agreement that necessitate evaluation by the Department of Justice, additional fees shall apply.
- c. Any addendum/modifications to the BFA or NBP after they are in effect will result in an additional fee of at least \$1,000.
- d. In the unexpected event that the environmental conditions at the property are unusually complex, such that NCBP's costs will clearly exceed the above amounts, NCBP and PD will negotiate additional fees.

MRK Please check this box and initial in space provided to indicate your acknowledgement of the above fee structure.

Date of Submittal: 4/2/2014

**NORTH CAROLINA DEPARTMENT OF ENVIRONMENT
AND NATURAL RESOURCES
NORTH CAROLINA BROWNFIELDS PROGRAM**

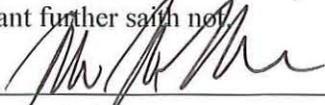
IN THE MATTER OF: Fertile Ground, LLC

UNDER THE AUTHORITY OF)	AFFIDAVIT
NORTH CAROLINA GENERAL)	RE: RESPONSIBILITY
STATUTES § 130A-310.30, et. seq.)	AND COMPLIANCE

<<PROSPECTIVE DEVELOPER NAME>>, being duly sworn, hereby deposes and says:

1. I am <<Member Manager>> of <<Fertile Ground, LLC>>.
2. [if signatory is not President, add this paragraph: "I am fully authorized to make the declarations contained herein and to legally bind <<Fertile Ground, LLC>>."]
3. <<Fertile Ground, LLC>> is applying for a Brownfields Agreement with the North Carolina Department of Environment and Natural Resources, pursuant to N.C.G.S. § 130A, Article 9, Part 5 (Brownfields Act), in relation to the following <<Parcel Number 313706.49.0376.000>> parcel(s) in <<Wilmington>>, <<New Hanover>>, County, North Carolina: <<4022 Market Street, Wilmington, NC, 28403>>
4. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that <<Fertile Ground, LLC>>, and any parent, subsidiary or other affiliate meets the eligibility requirements of N.C.G.S. § 130A-310.31(b)(10), in that it has a *bona fide*, demonstrable desire to **buy** **sell** for the purpose of developing or redeveloping, and did not cause or contribute to the contamination at, the parcel(s) cited in the preceding paragraph.
5. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that <<Fertile Ground, LLC>> meets the eligibility requirement of N.C.G.S. § 130A-310.32(a)(1) in that it and any parent, subsidiary or other affiliate have substantially complied with:
 - a. the terms of any brownfields or similar agreement to which it or any parent, subsidiary or other affiliate has been a party;
 - b. the requirements applicable to any remediation in which it or any parent, subsidiary or other affiliate has previously engaged;
 - c. federal and state laws, regulations and rules for the protection of the environment.

Affiant further saith not



Signature/Printed Name

Michael Ross Kersting

Date 4-2-14

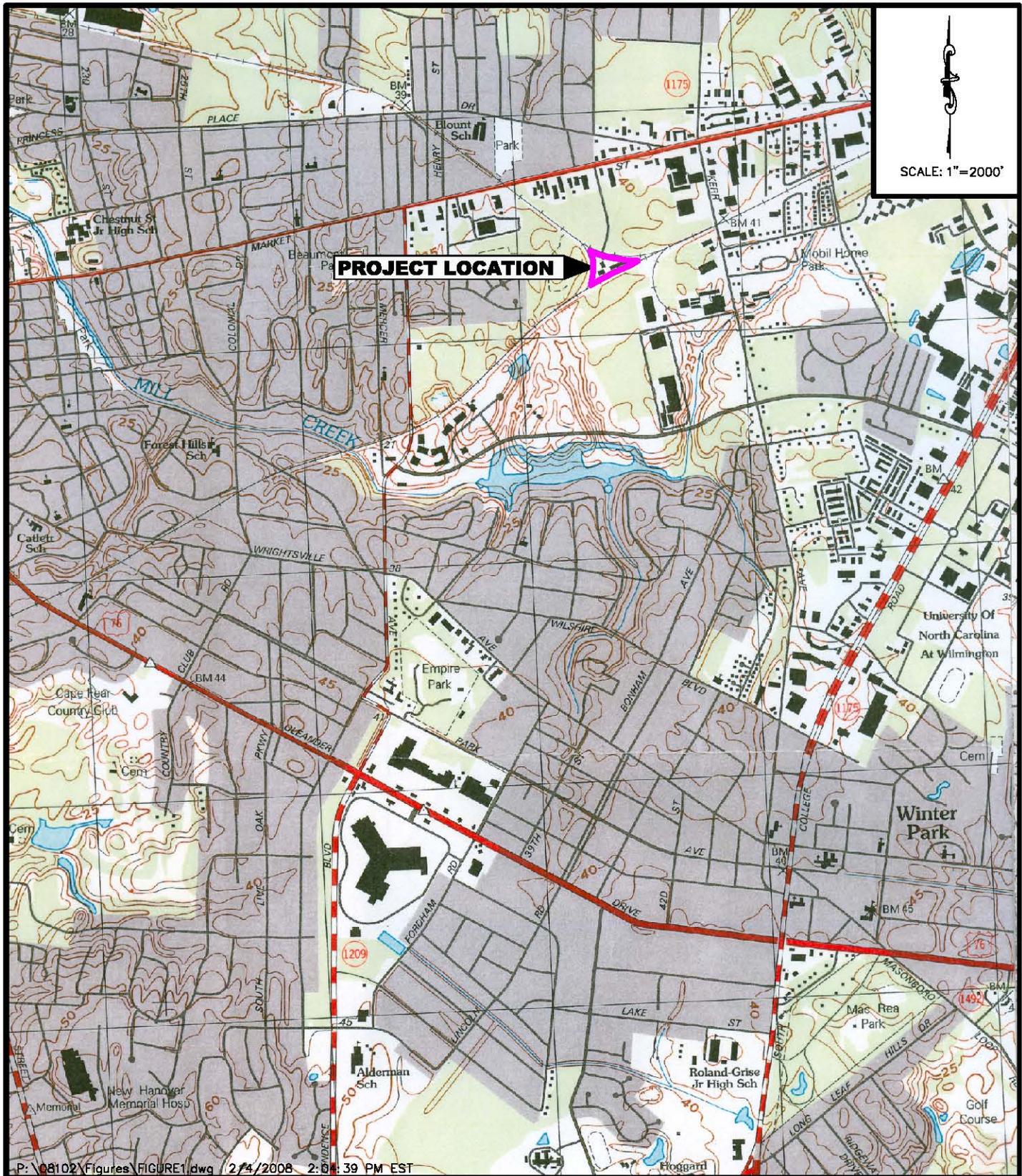
Sworn to and subscribed before me

this 2 day of April, 2014.

Kimberly Wise Notary Public

My commission expires: 8-11-18





SCALE: 1"=2000'

PROJECT LOCATION

P: \\08102\Figures\FIGURE1.dwg 2/4/2008 2:04:39 PM EST

WILMINGTON QUADRANGLE
 NORTH CAROLINA-NEW HANOVER CO.
 7.5 MINUTE SERIES(TOPOGRAPHIC)1997

THE WETSIG PROPERTY
 Wilmington, North Carolina

DRAWN BY: A.W.N.
 SCALE: 1"=2000'
 DATE: 02/04/08
 PROJECT NO.: 08102
 FIGURE:



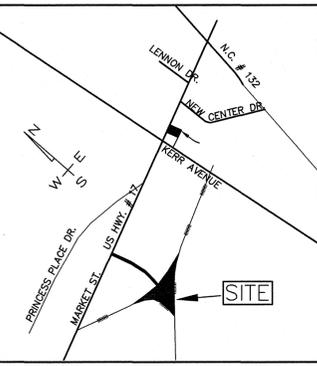
THE CLARK GROUP
 PO BOX 10136, WILMINGTON, NC 28404
 PH. 910.602.3900 · FAX: 910.602.3975

FIGURE 1
TOPOGRAPHIC VICINITY MAP

1 of 3

I, VERNON DEREK DANFORD, CERTIFY THAT THIS PLAT WAS SURVEYED AND DRAWN UNDER MY SUPERVISION; DESCRIPTION AS SHOWN ON THE FACE OF THIS PLAT; RATIO OF PRECISION AS CALCULATED BY COMPUTER IS 1:10,000+; THAT THE BOUNDARIES NOT SURVEYED ARE SHOWN BY DASHED LINES PLOTTED FROM INFORMATION REFERENCED; THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA; WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER AND SEAL THIS 2ND DAY OF MAY A.D. 2007.

Vernon Derek Danford
 VERNON DEREK DANFORD
 N.C. PLS No. L-4528



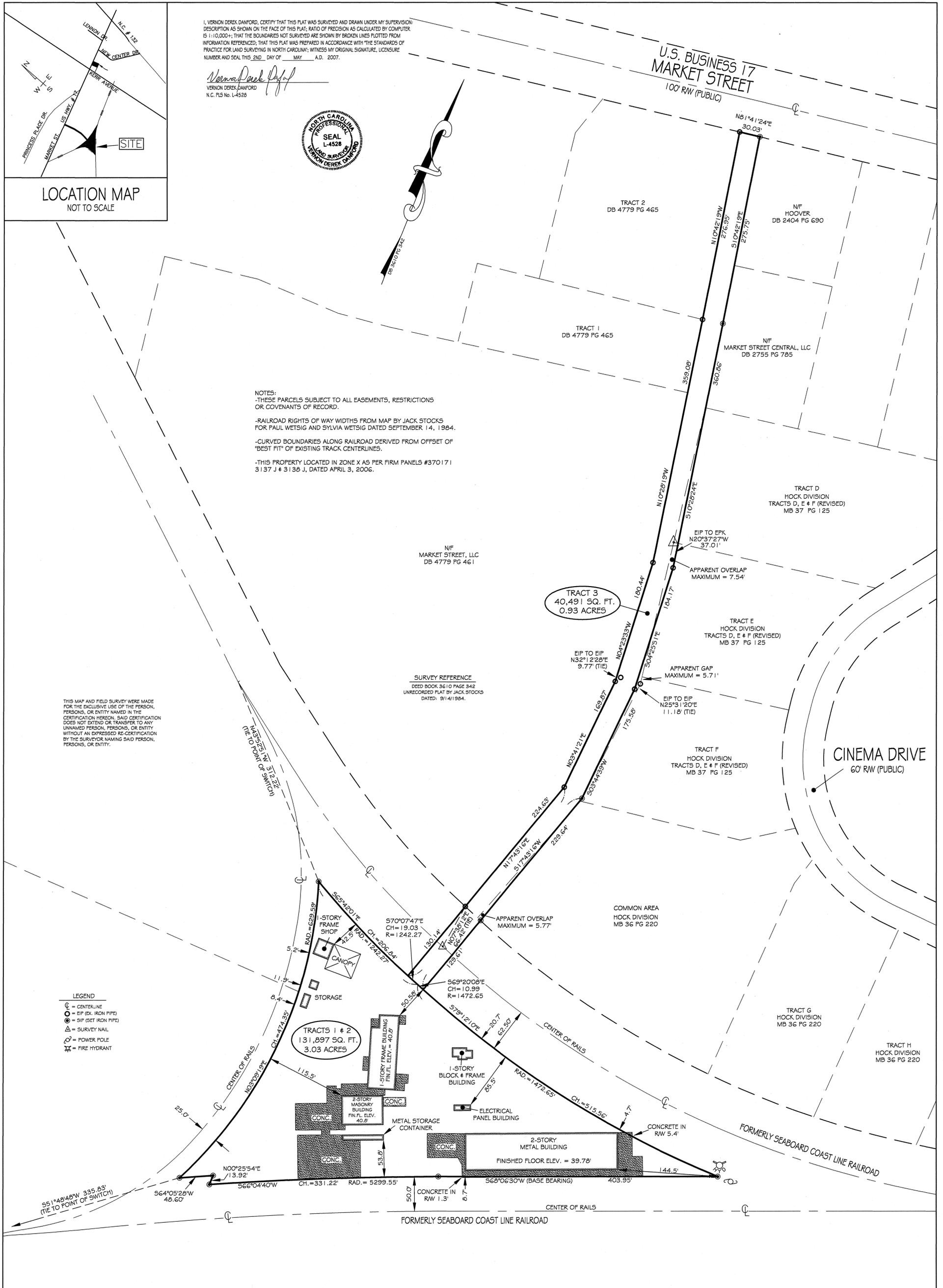
LOCATION MAP
 NOT TO SCALE

U.S. BUSINESS 17
 MARKET STREET
 100' RW (PUBLIC)

NOTES:
 -THESE PARCELS SUBJECT TO ALL EASEMENTS, RESTRICTIONS OR COVENANTS OF RECORD.
 -RAILROAD RIGHTS OF WAY WIDTHS FROM MAP BY JACK STOCKS FOR PAUL WETSIG AND SYLVIA WETSIG DATED SEPTEMBER 14, 1984.
 -CURVED BOUNDARIES ALONG RAILROAD DERIVED FROM OFFSET OF "BEST FIT" OF EXISTING TRACK CENTERLINES.
 -THIS PROPERTY LOCATED IN ZONE X AS PER FIRM PANELS #370171 3137 J & 3136 J, DATED APRIL 3, 2006.

SURVEY REFERENCE
 DEED BOOK 3610 PAGE 342
 UNRECORDED PLAT BY JACK STOCKS
 DATED: 9/14/1984.

THIS MAP AND FIELD SURVEY WERE MADE FOR THE EXCLUSIVE USE OF THE PERSON, PERSONS, OR ENTITY NAMED IN THE CERTIFICATION HEREON. SAID CERTIFICATION DOES NOT EXTEND OR TRANSFER TO ANY UNNAMED PERSON, PERSONS, OR ENTITY WITHOUT AN EXPRESSED RE-CERTIFICATION BY THE SURVEYOR NAMING SAID PERSON, PERSONS, OR ENTITY.



- LEGEND
- ⊙ = CENTERLINE
 - = EIP (EX. IRON PIPE)
 - = SIP (SET IRON PIPE)
 - △ = SURVEY NAIL
 - ⊕ = POWER POLE
 - ⊗ = FIRE HYDRANT

K:\land Project\WETSIG TRACTS\CG\ANGEL.DWG

DANFORD & ASSOCIATES
 LAND SURVEYING, P.C.

2231 WRIGHTSVILLE AVENUE
 WILMINGTON, N.C. 28403
 PHONE (910) 815-3711
 FAX (910) 815-2686

BOUNDARY SURVEY FOR
MW4, LLC
 TRACTS 1, 2 & 3 DEED BOOK 3610 PAGE 342
 WILMINGTON TOWNSHIP NEW HANOVER COUNTY, N.C.

MAY 2, 2007

TRACTS 1 & 2 3.03 ACRES ±
 TRACT 3 0.93 ACRES ±

1 INCH = 60 FEET
 © DANFORD & ASSOCIATES LAND SURVEYING, PC



Photo 1: Front of Main Building, which has been remodeled, as seen from entrance at Wetsig Road, taken looking south.



Photo 2: Close up of Main Building, taken looking northeast.



Photo 3: Close up of building referenced as Watershed 1, and view looking toward where new buildings 3, 4, and 5 can be built, taken looking northwest.



Photo 4: Building referenced as Watershed 1, and view showing location where new buildings 3, 4, and 5 can be built, taken looking west, noting the presence of newly constructed apartments on adjoining property.



Photo 5: Watershed 1 building, and view of area where new building 2 can be built, taken looking northeast.



Photo 6: Close up view of location where new buildings 3, 4, and 5 can be built, noting entrance at Wetsig Road in far ground, taken looking northeast.



Photo 7: Off site adjoining property to the south is under construction, to include apartments and commercial usages.



Photo 8: Off site property along Wetsig Road where City of Wilmington plans to construct new fire department, looking to north.